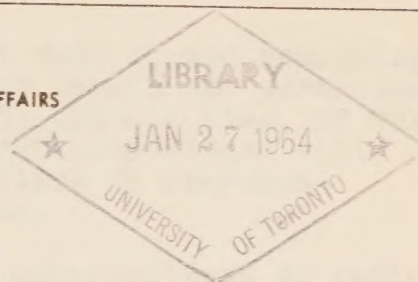
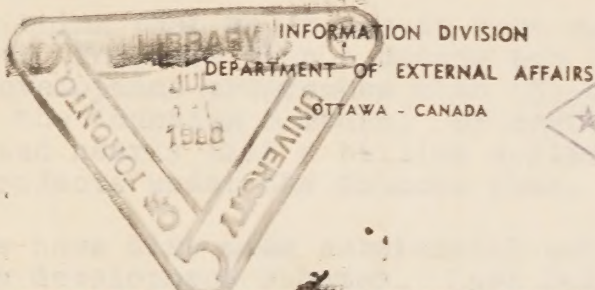




Digitized by the Internet Archive
in 2022 with funding from
University of Toronto

<https://archive.org/details/31761115523722>

Lacking various issues.

INFORMATION DIVISION
STATEMENTS AND SPEECHES

No. 64/1

DEVELOPMENT AID AND WORLD CITIZENSHIP

Advance text of a Statement by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Adversising and-Sales Club, Hamilton, Ontario, on January 6, 1964.

It is a pleasure for me to be here with you on "Civic Night". This event, which joins together many of the service clubs and other goodwill organizations in this city, is a fine example of citizenship in action. The recognition which you accord to the Citizen of the Year here in Hamilton gives emphasis to the importance of good citizenship on the part of all Canadians.

I think that we can be proud of the fine tradition of citizenship in our country. But we cannot be complacent. Today our values and our way of life are being challenged as never before; challenged just as much by apathy and indifference and lack of concern within our country as they are from the great forces at work in the world at large.

The important and vital necessity of a well-informed body of citizens, conscious of their responsibilities and obligations, has never been greater. This is particularly true in Canada today. We are a young country. We possess many of the prerequisites for greatness. Never has the importance of national unity been greater. Let us have a full and open dialogue between all Canadians as to the nature and strength of our country. Let the dialogue be conducted with tolerance and moderation and good sense. If we do this, and I believe we are in the process of doing it, I have no doubt that an even stronger and more united and more vigorous Canada will be the result.

This evening I would like to take advantage of this opportunity to speak about some of my ideas and concerns about how we can exercise our citizenship on the international scale. We live in a rapidly shrinking world today and just as, in the past, we felt concern and obligations towards people in our own communities, today this concern must be reflected on a world scale, because today, truly, the whole world is our neighbourhood.

A Good Beginning

I think that we in Canada have made a good beginning in this regard. For more than a decade now Canada has participated in overseas development programmes with the Colombo Plan, of which we are one of the founding members. By next year Canada will have contributed nearly half a billion dollars to overseas-development projects under the Colombo Plan.

We have also made substantial contributions to various United Nations development schemes. Last fall, we doubled our grant from \$2.5 million to \$5 million to the United Nations Special Fund.

Last November we substantially increased the amount of foreign assistance which we will be giving this year. We would be failing in our duty if we did not continue this endeavour.

Apart from the direct governmental participation in overseas development, a great many private and voluntary organizations in Canada are already playing important roles in international service. Organizations like the YMCA, the Salvation Army, the Red Cross, the Save the Children Fund, African Students Foundation, the Canadian Universities Service Overseas, the Overseas Institute, the Canadian Catholic Conference, and a host of other organizations both private and public, both large and small, are all deeply involved in international service. A great many church groups and missionaries have also made substantial contributions in Latin America and throughout Africa and other parts of the world.

But a great deal remains ahead of us. This is an immense and staggering task. The vastness of the problem is almost terrifying.

Support by Canadians Essential

As we proceed forward, nothing is of more importance for Canada's role in international development than the creation within Canada of public support for international development.

I believe that one of the major requirements in our society today is to have an even greater sense of involvement on the part of all Canadians in this great adventure of international development which is taking place in our time.

Let me emphasize two important points to you. First, this subject is not something to which only governments contribute, although the Government is making a substantial effort. This is a concern of all Canadians, and there is a part to play for Canadians in many walks of life.

I envisage an active partnership between government and voluntary organizations and private individuals, all fulfilling important and complementary roles.

Secondly, overseas assistance and international development is not a dry, governmental, bureaucratic operation. On the contrary, it is an intensely human, individualistic process, which should be familiar to all of us. There is a great need to tell the story of the adventure of international development. We must humanize and publicize this intensely human subject.

Here is perhaps one of the greatest challenges that our communication media have ever faced. There is so much that can be done. I am constantly surprised that more imaginative efforts are not made to publicize the story of international development.

Canadian Education Assistance

Let me give you several examples of Canadian assistance in the field of international education:

- 1) Last year there were 10,043 students from the developing countries studying in Canada.
- 2) In the same year there were 235 Canadian advisers and teachers serving abroad.
- 3) Later this month a new residence hall will be opened at the University of the West Indies in Trinidad. This residence, to be known as Canada Hall, will accommodate about 380 students. The commemorative plaque will bear testimony of Canada's participation to the West Indian development with these words - "A gift of the people of Canada to the University of the West Indies".

Many other illustrations could be given, from an aerial mapping survey in Nigeria, to an airport in Ceylon, to hydro-electric power plants in India and Pakistan, a large fisheries scheme in Malaya.

United Nations Role

Much of the important activity of the United Nations and the Specialized Agencies is hidden behind headlines announcing United Nations difficulties in some political endeavour which, in the long run, may be far less significant for the cause of world peace than the many-pronged attacks on the root causes of tension and conflict - poverty, ignorance, illiteracy and disease - which the United Nations is actively engaged in.

I would hope that we could do much more to inform people about the tremendous work which has been done by the United Nations in constructive social and economic development. All too often one reads criticisms of the United Nations in its political role. Very few people realize that 90 per cent of the United Nations staff is exclusively engaged in promoting social and economic welfare in the developing countries.

Since 1949, \$5.75 billion has flowed from United Nations agencies to help meet the urgent capital requirements of the developing countries:

18,000 international experts have been sent out to those countries under United Nations auspices.

48,000 people from the developing countries have been granted United Nations fellowships to study abroad.

A great many of these men and women are now leaders in government, commerce and education in their own countries.

Work of UNICEF

Let me give you an illustration of an organization which combines government, United Nations and private individuals, all working together in harmony, an organization which has done much both for human betterment in the world and in publicizing the story of development. I refer to the United Nations International Children's Emergency Fund (UNICEF). The purpose of UNICEF is to make a permanent contribution to the welfare of large numbers of children through programmes which countries will be able to carry on by themselves after initial UNICEF stimulus:

UNICEF has worked with the World Health Organization in a programme to eradicate malaria, which has been very successful and which has done much to reduce the tragedy of this disease.

Since the beginning, Canada has been one of the main contributing countries to UNICEF. At the present time, the Canadian Government contributes \$800,000 annually.

The Canadian National Committee for UNICEF raised half a million dollars in 1962, with such fund-raising projects as the "Halloween Trick or Treat for UNICEF" and the sale of UNICEF Christmas cards.

Next year, the Canadian Committee for UNICEF hopes to raise over \$600,000.

This is a magnificent and imaginative event, which is helping to bring internationalism to Canada while contributing to important development and welfare projects in the world.

A Private Example

Let me mention another private organization which is making an important contribution. The Credit Union League of Saskatchewan this year has marked its twenty-fifth anniversary by undertaking a substantial project of assistance to Tanganyika. The project takes the form mainly of an educational programme to

teach the techniques of credit-union development to the people of that country. I should like to commend the Credit Union League of Saskatchewan for its initiative in undertaking this worthwhile endeavour.

I would hope that, as Canada approaches her hundredth birthday, and as communities and organizations are searching for projects to commemorate this event, they will look overseas, and perhaps some of them may select projects of assistance to one or other of the developing countries.

These are just a few examples, but they serve to emphasize my theme that there is a real challenge to us in Canada to create a dynamic partnership between all agencies interested in international development and the Government and also to publicize the important human work that has already been accomplished.

International Co-operation Year

We are soon going to have an opportunity to give wide publicity to the story of international development and also to create a greater public understanding of what has been done and what remains to be done. 1965 is going to be designated as International Co-operation Year. Coming as it does about the halfway mark of the Decade of Development, International Co-operation Year should serve as a stimulus for international programmes of economic and social assistance.

The International Co-operation Year should enable individuals and groups in Canada and elsewhere who are engaged in international work to gain increased recognition and public support for their work.

To this end, a Canadian Committee has been established which will be co-ordinating the promotion of International Co-operation Year.

Among the excellent suggestions is one that the different months of 1965 should be given over to publicizing co-operation in specific fields such as public health, welfare, food, education. This will allow the communications media throughout the country to have articles and programmes featuring the activities of groups and individuals in local communities working in the field of international co-operation.

Canada has been closely associated with the preparation for International Co-operation Year since its inception, and the Government is firmly behind the idea. We intend to give it full and vigorous support.

I have taken this opportunity this evening to emphasize the importance we attach to this International Co-operation Year.

International development is the great imperative of our generation. It is an immense task which lies ahead of us. It is vital that we set our objectives high and pursue them vigorously. If we do, I have no doubt that we possess the resources and the skill to do much to eradicate hunger, poverty and disease throughout the world before the end of the present century.

But the Government cannot do this work on its own. It will require voluntary organizations and private individuals and business corporations and universities, all working in partnership, all marching towards the goal of raising the living standards of the developing countries. Fundamental to the attaining of these goals will be the creation in Canada of a wide measure of public support and understanding. We must become citizens of the world, exhibiting the concern for people and communities far from our shores that you have exhibited in this city and which you are commending this evening.

This is our challenge. Toward this end we must put forth our maximum efforts. There is no doubt in my mind that our generation will be judged in history on the success or failure of our efforts in this greatest human adventure of all time.

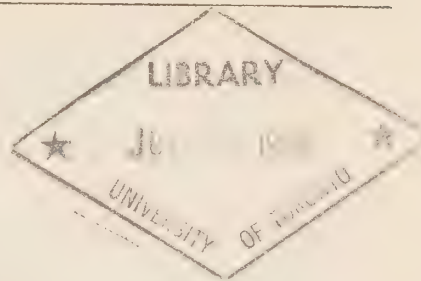
S/c



Gov Doc
Can
E

CANADA EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
Canada, DEPARTMENT OF EXTERNAL AFFAIRS
(OTTAWA - CANADA)



No. 64/2 THE CONTRIBUTION OF IMMIGRANTS TO THE CANADIAN ECONOMY

An Address by the Honourable René Tremblay,
Minister of Citizenship and Immigration,
to the Richelieu Club of Hull, Quebec,
on March 17, 1964.

...I shall attempt today to highlight some of the contributions of immigrants to the national economy in various fields of endeavour.

Immigration policy followed since the Second World War may be summarized in four essential points:

1. To increase the population of Canada;
2. To facilitate the admittance of immigrants likely to become good citizens;
3. To plan the immigration movement so that it does not make any fundamental alteration in the character of the Canadian nation;
4. Finally, to regulate the number of newcomers to the absorptive capacity of the Canadian economy.

It would, of course, take too long, in view of the time allotted to me here, to analyze each of those four principles and to estimate to what degree they have been applied. I shall dwell only on the last, but not before I recall that 2,244,500 immigrants have entered the country since the end of the last war. Those immigrants have proved themselves worthy of the confidence and welcome given them by their country of adoption. Over 450,000 post-war immigrants have chosen to settle in the predominantly French province of Quebec. Among them we find several thousand Dutch people, known for their love of the land, who have become happy farmers in the St. Maurice Valley, the Lake St. John region, the Eastern Townships or Bois France. We also find Belgians, as exuberant as we, who, in Quebec, Montreal and elsewhere, have shared with us the delights of their cuisine. We find French people, of course, who, in more than one sphere, including goldsmithing, cabinet making and gastronomy, have brought us the secrets of their talents. There are also Portuguese, who have become market gardeners in several counties of the province, while they learned with laborious patience to speak our language. And we also find Hungarians, 27,000 of whom were brought among us by the tragic wave of the Budapest revolution. Many a doctor, engineer,

accountant, chemist, draftsman and cabinet maker among them place their qualifications and ability at the service of the Canadian economy.

The Italians have also arrived in great numbers and have brought with them talents acknowledged in many fields, such as building enterprises, tile and mosaic work, restaurant operation, expert cooking, etc. Others have settled on farms and have made a success of their agricultural work in Canada.

Likewise, a goodly number of Germans and Austrians, some 310,000, chose to immigrate to our continent between 1946 and 1963. They have proved to be not only excellent farmers and able industrialists but also competent draftsmen and workmen.

A New Kind of Immigrant

There is no need to pursue this enumeration in order to show that the immigrants of our time differ radically from those who came to Canada a quarter of a century ago. The vast majority have some means; most of them also have a trade or profession. We should be remiss, however, if we saw in the newcomers nothing but workmen, labourers and small businessmen. Many have become prosperous operators of enterprises in our country and our province. They have created, here and there, new industries which are already playing a noteworthy part in our economy. A glance around may suffice to convince those who are still sceptical.

In British Columbia, a group of New Canadians of Ukrainian origin have perfected a method of drying wood. They have also introduced a system of cutting and grading which increases the value of construction lumber in that province by a few million dollars. In British Columbia also, Leon Koerner established a large sawmill which provides work for some 4,500 men. This generous Czech also set up the Leon and Thea Koerner Foundation for the development of culture and welfare; and he gave thousands of dollars to the University of British Columbia.

In Vancouver, three Austrian immigrants founded the Canadian Forest Products, Limited, and have made it one of the largest lumbering concerns on the Pacific Coast, an industry employing over a thousand people.

At Kitimat, in Ungava and in the Northwest regions, hundreds of New Canadians, engineers, technicians or other workmen, are contributing to the development of those frontier areas of our country.

At Grand Bend, Ontario, a Belgian farmer, Gérard Vanden Bussche, drained a large marsh, which is now well adapted to market gardening.

All of us know the name of the Bata firm, formerly famous in Czechoslovakia for its footwear manufacturing techniques and its industrial relations. This firm, now transplanted to a little Ontario town, has borrowed a bit of its name, Batawa.

For twelve years, the Bick family from Holland engaged in market gardening on a modest scale in a rural district of Ontario. One day they had the idea of growing vegetables to make pickles. And so the Bick Pickles Company was born. In the very first year of its existence, 1959, it employed 140 workers in the production of a million crates of pickles in 33 varieties.

If we cast a glance at the Province of Quebec - this province which is of particular interest to us - we feel everywhere the same impetus applied by newcomers to the economy of our country.

At St. Hyacinthe, a Belgian, W.E. Hecké, operates a door and window factory valued at over half-a-million dollars. When he became the owner 12 years ago, he invested \$200,000 of personal capital in the business.

Hecké is one of the 19,000 immigrants who, in the course of the last 14 years, have either established their own business enterprises or bought their own farms. Richard Segieth is another. He is one of the 2,200 Germans who have gone into business since 1950. In his native country, Segieth was a cabinet maker. After his arrival in Canada in 1953, he worked for four different furniture manufacturers before establishing his own firm in Iberville. The German cabinet maker was assisted financially by a Canadian businessman; and today his industry is highly successful. Most of the furniture he produces is made of beautiful teakwood imported from South Africa.

Everywhere in Canada any number of commercial establishments reflect the initiative and talent of immigrants of various ethnic origins. French, Swiss, Belgian and Italian people, whose culinary talents are renowned in all the large cities of Europe and America, have, in the post-war period, established many restaurants that are the delight of Canadian gourmets.

In the industrial field the majority of New Canadians in the Province of Quebec have been outstandingly successful. May I name, in passing, the St. Lawrence Ceramics, an achievement of a German chemist, Gesbert Boch, who produces tile for sale not only in Canada but also in the United States.

The St. Laurent Cement Works, also located in Quebec City, began operations with a few million dollars of Swiss capital. Among the lesser industries, but quite as worthy of mention, is the nursery started only five years ago at Champigny by the Belgian, Jean Speth. The three Spanish cabinet makers, Juan, Francisco and Agajuto Pelegrin, who came from Barcelona in 1957, have also established their shop on a solid basis in the St. Sacrement quarter of the city. Another Spaniard, Aurelio Hernandez, descended of an ancient line of craftsmen, has splendid pieces of religious goldsmithing now decorating several Canadian churches.

In Montreal, two Italian brothers, Jean and Flavio Rodighiero, who came to Canada in 1951 with a few hundred dollars, launched a construction enterprise now valued at some \$75,000. During the busy season, the Rodighiero firm employs approximately sixty workers, one half native born Canadians and the other half New Canadians.

In Trois-Rivières, two Frenchmen, André Boisselier and Jean Maurel, less than a year after their arrival in Canada, founded "La combustion économique", an enterprise which specialized in the installation of heating and refrigeration systems. The firm has prospered continually since it was established in the spring of 1959.

We cannot be unaware of the significance to the economy of our country of the enterprises thus created by immigrants. The 11,304 New Canadians who established themselves independently in the course of the last 14 years paid \$144,658,400 for their various businesses. Of that amount more than \$88 million represented down payments. These immigrant enterprises have provided employment for nearly 52,000 persons. It must not be forgotten as well that all of those industries, from the smallest to the largest, represent not only men at work and salaries paid, but also increased economic activity - in short, a boost in the national income.

It may be interesting to notice here that, of the 2,336 immigrants who started their own enterprises during the past year, 1,676 went into business and industry, while 660 chose to operate their own farms. The fact that the number of commercial enterprises was more than double that of farm establishments undoubtedly reflects the current trend of Canada towards industrialization.

Contribution to Agriculture

Although immigrants tend to settle increasingly in urban centres, Canadian agriculture reaped many advantages from thousands of newcomers. From 1950 to the end of 1963, immigrants purchased 7,807 farms and rented more than 1,300 others. That allowed for the settlement of some 10,000 owners and tenants who, with their dependents, numbered over 40,000 persons. The purchase prices of those farms amounted to \$109,113,215. On this sum immigrants made down payments of \$40 million. The majority of New Canadian farmers engage in mixed farming or dairying. Others are in stock raising, chicken farming, the production of honey, beets, tobacco or wheat.

New agriculturalists have not only filled farm vacancies caused by the exodus of many young people from the country to the city, they have also developed lands which Canadians had considered unproductive. The story of the cultivation of Holland Marsh, near Toronto, by Dutch immigrants is well known today. The drainage work at Alfred and Moose Creek, between Ottawa and Montreal, is not so familiar. Two vast stretches of farm land, one of 5,000 acres and the other of 4,500 acres, have emerged from what was abandoned marshland. Those areas now produce various kinds of vegetables and the crops are increasing from year to year.

In the Province of Quebec, because of the initiative and steadfastness of immigrants, we have seen the black and muddy earth around Sherrington, some 30 miles from Montreal, transformed into fertile soil. French industrialists bought 2,400 acres at Sherrington and 1,000 acres near Ste. Clotilde to provide vast agricultural centres. The new enterprise, "Société de culture des Terres Noires", opened in 1959 a million-dollar plant for the canning and refrigeration of vegetables. The same group of French industrialists bought a stretch of 2,800 acres at Ste. Elisabeth on which to establish a stock farm.

I could go on at great length with a list of the various achievements our country owes to thousands of newcomers, but I think I have sufficiently convinced you of the point I set out to make. I prefer to show you, now, the contribution of immigrants to the professional life of Canada.

Professions and Trades

Of the 2,245,000 immigrants who arrived in our country during the past 17 years, 116,399 men and women practised a profession, while 263,480 worked at a skilled trade. Engineers particularly, who had long been scarce in Canada, were an important element in that unprecedented period of expansion between 1947 and 1957. In fact, immigration has provided us with 19,070 engineers since 1946. All were welcome in one sphere or another of Canadian activity.

Can we imagine the general bewilderment if Canada announced overnight that 5,900 doctors and 18,000 graduate nurses were being sent back to their native land? Yet, that is the approximate number of physicians, surgeons and graduate nurses who have arrived in our country since the close of the war. We have also received 5,023 laboratory technicians, 16,581 professors and teachers, not to mention 4,800 accountants, 11,260 draftsmen, 3,180 chemists and thousands of other skilled workers of every category.

The majority of the newcomers are in the age groups which place them, so to speak, at the starting-point of the most fruitful period of their career. The adult immigrant brings with him training and experience which he owes to his country of origin but which are no less valuable assets to his adopted country. All of this substantiates the claim that a great number of immigrants, by their scientific and technical knowledge, have played a part of vital importance in the development of post-war Canada.

Time prevents me again from making an excursion into that interesting field in which so many other enterprises and many more names would deserve mention. The fact remains that our country must continue to expand even beyond its considerable development of the past years. It needs more than 19,000,000 people to populate its vast domain of 3,500,000 square miles.

In the economic sphere - of particular interest to us here - practically the same considerations militate in favour of immigration. In an under-populated country, expenditures for the administration of governments, research, education and transportation systems are high, because they are shared by a population too small in numbers. The cost of production keeps rising because the industrial markets are still too limited for many mass production techniques. We are right, therefore, in thinking that a still greater increase of the Canadian population could mean only a greater development of our economy. Production and consumption, the investment of capital and trade, cannot fail to be stimulated by the results of a well-balanced immigration policy.

Production and consumption are not the only fields in which immigrants contribute to Canada. As I said at the beginning of this talk, a goodly number participate in the creation of employment, either by founding new enterprises or by investing capital in various industries.

I have already listed for you a few of the establishments that owe their existence to the initiative and financial contributions of post-war immigrants. I shall not resist the temptation to mention a few more, if only to make you forget for a moment the dry and often stodgy aspect of statistics.

In the metropolis, a thriving concern is the ribbon factory established by an enterprising and persevering New Canadian, Thomas Karass, who arrived in Canada from Hungary in 1948, with \$28 in his pocket. A former textiles engineer in his country and descended from a family of manufacturers, he soon followed his natural calling. Just as he had done in Budapest, he organized a small workshop in the basement of a house in Montreal and there installed the equipment which he had brought from Hungary. Today, with looms and machines entirely new and improved, Mr. Karass not only makes cotton tape, but with improved processes he has placed on the market different kinds of ribbon, fibreglass, rayon, nylon, linen, etc. The firm of the former Hungarian engineer now bears a well-known name, the Canadian Ribbon Tape Company, and the market for his products extends from Montreal to Vancouver and from London to Caracas.

And, if we go out of Montreal once again, to take a look at the neighbouring province, we shall find in Niagara a frozen-foods industry that owes its existence to a Dutch immigrant, Mr. Teunissen, who arrived in Canada in 1950. This one-time farmer decided to start a business in frozen chicken pies. The enterprise was a great success. To the original chicken pies he added turkey and beef pies. For his supplies, Mr. Teunissen had to sign contracts with some 40 farmers in the district. Today, it is estimated that 1 million chickens are consumed annually in that industry, which employs 75 people.

Mr. Teunissen's enterprise is only one of the thousands of similar concerns created in Canada by post-war immigrants. It shows that any immigrant, of whatever category, industrialist, skilled worker, professional man or farmer, participates in the economic activity of our country as a producer or a consumer.

That is not a new phenomenon, however. For centuries, Canada's development has progressed through the arrival and settlement of immigrants in our land. English, Scottish, German and French people were among the pioneers who colonized our country. We have reason to think that the children and grandchildren of immigrants who arrived in Canada, 100 years ago, to people the Prairie Provinces are just as attached to this country and are quite as proud of it as the farmers of Quebec, who for generations have succeeded one another on the same piece of land, or as the farmers of Ontario who have always occupied the same plots of land since they were granted to them by the Loyalists at the end of the eighteenth century.

And if we come closer to our times, to follow the steps of immigrants who have come to Canada since the last war, it is to observe the same faithfulness to work, the same resourcefulness as was in their predecessors. We may note also the same attachment of these New Canadians to their adopted country.

We should be remiss, therefore, if we did not have confidence in these thousands of new fellow-countrymen, and particularly if we did not willingly welcome them. We have no right to overlook the prediction made in the last century, that the twentieth century would belong to Canada. Already, the spectacular advances of the last 50 years have remarkably justified that optimistic forecast. We must continue to realize the immense opportunities of our country with its wealth of natural resources and the beauty of its climate.

However, a wonderful soil, a favourable climate and unlimited resources, although they are invaluable factors in the economy of a country, do not build the nation itself. It is the population which uses and develops those resources which give them their full value. There is no denying the fact that Canada owes a large measure of its present development to the immigrants, to those men and women who have pushed back its frontiers, cultivated its fields and made possible the extraordinary expansion of its industries. And our country will still need, for many years to come, the contribution of these industrious and steadfast workers, if it is to achieve the remarkable destiny envisioned by those courageous pioneers who first wrested the soil from the forest.

It remains for us to welcome with warmth and cordiality those who come here seeking material security, happiness and peace. As His Eminence Paul-Emile Cardinal Léger once said: "We have no right to keep for ourselves alone a half-empty country". Our continent is immense; our sympathies must be commensurate!

S/A



Gov Doc
CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF...
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/3

The UN Conference on Trade and Development

Statement by the Secretary of State for External Affairs,
the Honourable Paul Martin, to the United Nations Conference
on Trade and Development in Geneva, March 24, 1964.

...We are faced today with one of the great opportunities of the twentieth century. Throughout the world, governments and peoples expect this meeting to make definite progress towards a goal which each nation shares - the greater welfare of its people. We must never lose sight, in the long and complex debate, of the urgency of our responsibilities.

All of us recognize that this is an historic conference. It is unprecedented in the breadth of participation and the nature of its objectives. The ability of our United Nations to respond to the needs of member countries is once again being tested. In recent weeks the United Nations and its member governments have been preoccupied with the organization's peace-keeping role - and specifically with the critical situation in Cyprus. During this crisis, Canadians have, as our Prime Minister has said, been proud to play their full part once again. Mr. President, Canada can also be counted on to respond in those areas which are the objectives of this conference. We recognize that prosperity and stability are indivisibly linked.

Since its foundation, the United Nations has played an important and constructive role in the vital sector of economic and trade co-operation among nations. Member countries have joined together to dismantle the barriers to world trade with the aim of ensuring the best use of the world's resources and raising the living standards of the world's peoples. In the interests of expanding world trade, rules have been fashioned as safeguards against the restrictive and discriminatory practices of the past. The General Agreement on Tariffs and Trade, the International Monetary Fund, the International Bank and other United Nations institutions were set up to buttress the new framework of world trading relationships. This new and more liberal trade system has brought benefits to all the countries of the world. No country is more indebted to these accomplishments than my own, which is so vitally dependent on foreign trade. Canada supports the preservation and development of the basic trade rules and institutions which have been fashioned over the past two decades.

Economic Effort of New Countries

A great co-operative endeavour over the past two decades has been the economic development of new countries and countries seeking to reach new economic and social goals. The United Nations and its Agencies have not only aroused world support for these efforts, but have also given us many of the tools to work with. Massive resources have been transferred by way of aid directly and through international agencies to reinforce even greater efforts of the developing countries themselves. That the efforts of these countries are bound to be paramount was emphasized yesterday in your speech, Mr. President, when you pointed out that, in this "endeavour for rapid economic growth to offset the increase in population and to keep up with the development trends in advanced countries, the developing countries bear the main responsibility for their economic and social progress". The same point was made by the present Prime Minister of Canada some years ago when he was speaking of the role of external aid. He went on, however, to develop this point in the following way:

"The fact that external aid may often be marginal does not, however, make it unimportant. Many a garment might unravel if it were not for the hem. In much the same way, the fabric of economic and social life in many of these countries is strengthened by the function which outside assistance performs and by the evidence which it brings of widespread interest, sympathy and support."

Canada's Aid Effort

Since the war Canada has made substantial contributions to international development efforts. From the start, Canada actively encouraged the formation of United Nations programmes and we backed up our support with substantial contributions. We were among the founding members of the Colombo Plan in 1950 and since then we have annually transferred Canadian resources to countries in South and Southeast Asia, and more recently to Africa and countries in the Caribbean area. Through Canadian and United Nations programmes we have provided substantial development resources, by far the greater part of which has been on a grant basis requiring no repayment.

The Canadian aid effort is part of a broad co-operative endeavour to hasten economic and social progress throughout the world. My Government recognizes both the new sense of urgency behind this endeavour and the growing determination to achieve development goals. We have, therefore, decided to increase Canada's economic aid by more than one-half. Our expanded effort includes a new programme of long-term loans on liberal terms. We expect our aid expenditures during the next twelve months to reach \$180 to \$190 million.

Adding Another Dimension

Until recently, the main emphasis in international arrangements has been to promote economic development through financial and technical assistance. We must now add another dimension to the great effort to support economic development. We must examine how trade can make a fuller contribution. The developing countries are rightly seeking through trade expansion to accelerate their economic development and to raise their living standards. World trade is

still too much fettered by restrictions, high tariffs, trade discrimination and other barriers. The terms of trade have deteriorated for exporters of raw materials and foodstuffs. These basic products, moreover, are subject to sudden and unforeseen price fluctuations which can result in serious setbacks for development plans and for the efforts of producing countries. The developing countries are rightly seeking to diversify their economies, to create soundly based processing and manufacturing industries and to sell the products of these industries in the markets of the world. Their efforts deserve and require the encouragement of advanced countries. All of these countries represented here today stand to gain by increases in the productive capacity and prosperity of the less-developed world. As I see it, the task before this conference should be the establishment of a framework of world trade in which developing countries can achieve a satisfactory rate of economic growth and improved standards of living.

To achieve all these objectives will not be easy and will require adjustments and fresh efforts by all of us. Our task will be eased if we work together and share in the inevitable adjustments. By acting together within the United Nations, we can create in all our countries conditions and the political will necessary for progress. Indeed, the only way to move forward effectively is by joint action.

Mr. President, the issues before this conference have been ably analysed in the report presented by the Secretary-General, Dr. Raul Prebisch. His report presents us with many challenging proposals. I should like to take this opportunity to pay tribute to the distinguished services which he has already rendered to this conference.

My Government - and I am sure each of the governments represented here - has given most serious thought to the issues facing this conference. Each of us will be making a contribution to the consideration of these problems in the days ahead. It may be helpful if I were to outline at this preliminary stage in a more specific way the Canadian approach on how these objectives can best be attained.

Canada's Approach

First, Canada will work with other developed countries in eliminating, wherever practicable, tariffs and other restrictions which obstruct trade in tropical foodstuffs and industrial raw materials traditionally exported by developing countries. The new round of tariff negotiations coming up in the GATT, known as the "Kennedy round", will complement this conference. These negotiations should reduce or eliminate barriers to many important exports from developing countries. To free world trade in food and raw materials would be a major accomplishment, from which all countries in the world will benefit. At present, Canada has no quantitative restrictions on imports of products of interest to developing countries, and our tariffs on tropical products and raw materials are generally low or have been removed altogether; we have no internal taxes inhibiting the consumption of these products.

Canada has been a party to all major commodity agreements concluded since the end of the last war. We have always been prepared to explore with other countries the possibility of other agreements on a commodity by commodity basis. However, it would not be in the interest of the developing countries to encourage unduly high prices for primary commodities. High prices are likely to generate unsaleable surpluses by stimulating production and reducing consumption through the use of natural or synthetic substitutes.

Canada will work with the developing countries and others in trying to improve the conditions of world trade for temperate agricultural products. Agricultural protectionism in certain developed countries has been growing; it is tending to increase uneconomic production in these countries. It has curtailed the markets of efficient suppliers in developed and developing countries alike.

Canada had advocated that, in the forthcoming "Kennedy round" of tariff and trade negotiations, developed countries should ensure that products of interest to developing countries, including manufactured goods and semi-processed materials, are included in the scope of negotiations. As has been recognized in the GATT, this should be done without expecting full reciprocity from developing countries for benefits they may derive from these negotiations. We are hopeful also that successful negotiations of reduction of tariffs on semi-processed materials will go a long way to reducing differentials between tariffs on raw and processed commodities which have created problems for developing countries.

Canada strongly supports a general removal of quantitative restrictions now impeding imports into developed countries of manufactured goods from developing countries. It has been noted that exports of manufactures by developing countries are of limited variety and are exported in volume to only a few markets. Developing countries need the greatest possible freedom of access to the widest number of markets if they are to establish a diversified and expanding industrial structure. The likelihood of market disruption would be lessened if these exports were less unevenly distributed among developed countries through the establishment of more uniformly favourable conditions of access.

While Canada is approaching the question of preferences with caution, we should be prepared to consider proposals for the exchange of regional tariff preferences among developing countries for a limited period and under conditions which took reasonable account of the interests of outside countries.

Canada would be prepared, during the course of the "Kennedy round" of tariff negotiations, to examine carefully any tariff preferences now enjoyed by Canada in the markets of the developing countries which may be regarded as prejudicial to the trade of other developing countries.

Canada recognizes that development plans and efforts may be prejudiced by adverse changes in the terms of trade or by other occurrences beyond the control of developing countries. Accordingly, we supported the recent decision of the International Monetary Fund to increase its help to countries suffering from temporary declines in export receipts. As regards longer-term declines, we are prepared to join with others at this conference in studying ways of improving bilateral aid programmes and relating them more closely to the changing economic and trading circumstances of the individual developing countries.

As regards the basic question of future institutional arrangements, it is our belief that we can only see clearly what will be required when we approach the end of our deliberations. We shall then have a better idea of what is likely to emerge as a result of the conference. In general, we are not in favour of setting up a new organization of a more or less independent character. Rather, we should be more inclined to adapt the existing machinery to make it more responsive to the problems of the developing countries. Indeed, encouraging progress is already being made in that direction.

This ... is the position of the Canadian delegation at the outset of this conference.

Freeing of Trade Channels

It will be clear from my presentation that we believe that much more can be done and must be done to free the channels of trade. We think that, if this were done, the developing countries would have a better opportunity of competing on terms which would bring into play their natural advantages as efficient producers of certain commodities and manufactures. The freeing of trade channels would also help overcome the effects of undue protectionism in the developed countries and lead, of itself, to some of that international division of labour to which reference has already been made in this conference. But I do not want to suggest that the freeing of the channels of trade is all that requires to be done. The range of problems which we have come to consider is vast and no single nor simple solution for them is likely to be possible. We are prepared...to join others at this conference in exploring patiently all avenues along which solutions may lie. We have come to listen to the views and preoccupations of others, as much as to share with them our experiences as a young and expanding country.

The object of the conference, as we see it, will be to contribute to the solution of problems which are crucial to the well-being of a very large proportion of the human race. They are urgent problems and their solution is urgent. Many new nations have come into being over the past decade or so. Their governments are concerned - as they must be concerned - to ensure that the political independence they have achieved should find fruition in rising standards of living, in better health and improved opportunities for education, and in the greater happiness of all their people. The urgency of this task is such that they cannot accomplish it by themselves. The more-developed countries must come to their aid, recognizing that, in a world which is becoming daily more interdependent, the conditions under which mankind lives will have to be brought into a more equitable relation. It has been said of the people of the developing countries that they are embarked on a "revolution of rising expectations". It is to take a step forward in the direction of meeting these expectations...that this conference has been called, and I am glad to be able to pledge the active co-operation of the Canadian delegation in the work in which we are about to engage.



CANADA

Gov. Doc.
CAN
E

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/4

UN Peace-Keeping Operations in Cyprus

Notes for a Speech by the Secretary of State
for External Affairs, the Honourable Paul Martin,
to the Canadian Club in Brantford, Ontario,
on March 19, 1964.

I am particularly pleased to have this opportunity to speak to the Canadian Club in Brantford this evening. Last Thursday I had occasion to speak in London and to express my concern about United Nations involvement in peace-keeping operations just as the Cyprus situation was reaching a very critical stage. This past week has been one of intense diplomatic activity -- not without elements of risk -- as the United Nations moved to establish an international military force in Cyprus.

A week ago this evening I met with the United Nations Secretary-General in New York to reassure him of Canada's willingness to play its full part in establishing in Cyprus an effective United Nations force to keep the peace. On the following day we were in direct touch with other countries whose participation was required to make it possible for the Secretary-General to state that a United Nations peace-keeping force had been constituted. Their response was prompt and favourable, providing a solid basis for Canadian participation once Parliament had approved it. We are embarking on this new responsibility not only with the British but also contingents from Sweden, Finland and Ireland, with whom we shall be proud to serve.

Preparations for UN Action in Cyprus

The Canadian Government was deeply concerned about the delays which occurred even after the Security Council had adopted a resolution on March 4 calling for the establishment of the force. We watched with anxiety the steady deterioration of the situation in and around Cyprus. We pressed vigorously for the clarification of the United Nations mandate and the operating conditions for the force, including its financing.

Canadian action in this regard was nothing less than what the complex situation required of a country with long experience of peace-keeping operations of this kind. To provide a reasonable opportunity for the success of the operation and to encourage other governments to support it actively, we believed it necessary and desirable to reach a satisfactory understanding with the Secretary-General and with the parties directly involved in the Cyprus question on the role which the United Nations would be assuming.

The course of these events has been explained fully in Parliament during the past week or so, and in my speech in London I placed these developments in the broader context of the difficulties facing the United Nations in pursuing its peace-keeping responsibilities. There is reason for gratification that the United Nations did succeed last weekend in overcoming the obstacles to the despatch of United Nations military contingents to Cyprus. These new police-men for peace are now on the beat -- following the fine tradition of their comrades in Gaza, the Congo, West New Guinea, Yemen, and indeed in Kashmir and Palestine.

Hard Facts of the Situation

Canadians can take renewed pride in the fact that their armed services have once more responded quickly and efficiently to the urgent call of United Nations duty. We should not delude ourselves, however, about two hard facts of the contemporary situation on which I should like to comment briefly.

The first is that the United Nations job in Cyprus is not over, it is just beginning. The organization faces yet another task fraught with complication and danger. Its military servants will be required to discharge their duties with the highest degree of skill, endurance and restraint. They will be exposed to risks and provocations. They must rely largely on their presence and forbearance to bring about the much-needed conditions of calm in the relations between two communities currently in a state of severe emotional upset.

The two communities on the island are sharply divided. There is a legacy of tragic violence. There are elements in the situation which could lead to further disturbance even if the opposing factions have the best will in the world co-operate. The voluntary laying down of arms may be the principal requisite for the easing of basic tensions and therefore of the successful promotion of stability by the United Nations force.

Like any police body, the United Nations force is in Cyprus to assist in the establishment and preservation of order. It is not there as an army of occupation. I do not believe a military solution would be lasting even if the United Nations force were so empowered. A solution will be best pursued by a process of accommodation between the opposing factions with the assistance of a United Nations mediator. The military force is expected to contribute to this process -- by demonstrating the United Nations impartiality, by setting an example of restraint and discipline, by restoring calm, by instilling confidence among the Cypriots generally that they will not be subjected to further violence and bloodshed, and by reassuring interested powers outside the island that negotiation can yield a solution, while the United Nations maintains order.

Mediation and Co-operation

All this underlines two essential needs -- the need for appointing a United Nations mediator at the earliest possible date and the need for the fullest co-operation from the two communities and the parties to the treaty of guarantee. The present Security Council resolution authorizes the stationing of the peace-keeping force for only three months. No time must be lost in appointing a mediator because the opening of the mediation process must be co-terminous with the operational deployment of the peace force.

In short, the international community must seize the nettle of the crisis in Cyprus. Undue delay in improving the political situation could quickly lead to a new deterioration in security and a possible erosion of United Nations influence. There is no room for a leisurely approach to the central political dispute between the two communities.

The second main fact which has once more become glaringly apparent is that the United Nations should strengthen its capacity to engage in peace-keeping operations. I emphasized this in London. The Prime Minister re-stated well-known Canadian views in Parliament. These are reflections of the Government's conviction that United Nations preparedness in the field of peace-keeping falls short of the new demands which are being made on the organization with increasing frequency.

Improving Peace-Keeping Methods

I hope, and I believe, that there is a growing resolve among United Nations members that United Nations peace-keeping methods must be improved. More and more countries have come to recognize that international military forces cannot be assembled and deployed without some degree of advance planning both in the United Nations headquarters and in national capitals. The policy of earmarking national contingents -- which in Canada's case proved its worth at the critical stage last weekend -- is now being pursued in a number of countries which, like Canada, have been called upon time after time to respond urgently to the United Nations call. I have no doubt that the example of these countries is generating practical interest in others.

The requirements of peace in our time may not wait upon gradual realization. The growing interest in improving peace-keeping methods must be stimulated. The actual United Nations experience must be kept alive. Canada is determined to draw on its own experience in this field in a way which will give leadership and encouragement to others.

We are also determined that the United Nations shall not fail in its primary responsibility for peace through lack of adequate financial arrangements. For more than five years, in all the appropriate bodies of the United Nations, Canadian spokesmen have been insisting that political decisions to promote peace must be solidly backed by suitable administrative and budgetary provisions. The only sensible basis for this backing is the principle of collective responsibility.

Like the conduct of the peace-keeping operations themselves, the task of persuading the membership to share in the financial burden has been a long journey uphill. Urgent demands of the moment have obliged Canada and like-minded countries to accept temporary financing expedients which detract from the basic principle. But they have not deterred us from pursuing the goal of collective responsibility -- not as a slogan but in the form of concrete proposals embodying it.

The whole problem is one of continuing examination and growing urgency. Discussion will shortly be resumed in the General Assembly's Working Group of Twenty-One on the Examination of Administrative and Budgetary Procedures. As a member of that group, Canada will pursue with vigour its efforts to reach a long-term solution which has important implications -- political and financial --

for the future effectiveness of the United Nations. This is why we are willing to explore every avenue for reaching the desired goal. To do less would be to deprive the courageous United Nations soldiers for peace, in Cyprus and in many other vital theatres, of the material and moral support which they so richly deserve.

s/c



CANADA

Gov. Doc

Can

E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/5 Role of the UN in Maintaining Peace and Security

Address by the Secretary of State for External Affairs, the Honourable Paul Martin, to a Joint Meeting of the Canadian Institute of International Affairs and the United Nations Association of Canada at London, Ontario, on March 12, 1964.

...Next year, the United Nations will celebrate its twentieth anniversary. 1965 has been designated as a Year of International Co-operation. It is intended to emphasize the widespread endeavours of the United Nations to meet international demands of our time. It will mark, I hope, a new determination on the part of all members to make the organization as effective as possible in all its spheres of activity.

This is very desirable, for the United Nations is here to stay. Even if the present organization should be torn apart by dissension and difficulty, the nations of the world would quickly realize the need to recreate a new system of international co-operation. Dean Rusk sharply and soberly underlined this need in his thoughtful lecture of January 10 in the Dag Hammarskjold Memorial series. I agree with much of what he had to say at that time.

Even in the light of substantial development, the United Nations can still be regarded as being in its formative stage. It has had to respond to a variety of situations, vaguely foreseen at San Francisco but by no means envisaged in their actual significance and scope -- the freezing effect of the cold war, the sudden and dramatic emergence of new states in Asia and Africa, the vast strides in science and technology.

How will the organization respond to the ever-increasing demands made in circumstances so vastly different from those in 1945? It is very easy to be pessimistic about the future, to be irritated and frustrated, as some world leaders have been, by the shortcomings and limitations of the United Nations by the shifting opinion which frequently seemed more concerned about regional influence and national prestige than about the urgent requirements of the organization in a period of rapid change.

Delay in Cyprus

Today the tragedy of Cyprus is foremost in our thinking about the United Nations. It represents a new demand, a new trial, another steep hill. There have been expressions of annoyance and criticism about the delays in

starting United Nations peace-keeping machinery. There has been an unfortunate passing of time during which the actual situation in Cyprus has deteriorated. There is a potential danger of civil war and international conflict. The need for immediate action is clear.

The dilemma which the United Nations faces in Cyprus is a microcosm of the many difficulties which have been hampering the organization for some time -- the great powers are divided on how the situation should be dealt with, whether inside the United Nations framework or outside it. The parties directly concerned are widely divided on the kind of solution needed and quite obviously require outside and impartial assistance. In a sense, the situation on the island is a matter of domestic jurisdiction, normally precluding United Nations intervention, even though the international risks are great. Many members of the United Nations are either uninterested or hesitant about becoming involved. Already heavily engaged in the Middle East, the Congo and elsewhere, and beset by a financial crisis of serious proportions, the United Nations is hard pressed to find funds for a new operation. There is the question whether the Security Council, the General Assembly or the Secretary-General should have the main political control. There are issues of human rights at stake, questions of treaty interpretation and implementation, a problem of nation building from elements of diverse ethnic origin and religious belief. There may be a pressing demand for economic and social assistance if Cyprus is to have viable statehood.

These are some of the main elements of the dilemma. They go a long way to explain the delays in putting United Nations machinery to work in Cyprus. Some of them are worth examining more closely in order to illustrate the basic problems of the United Nations at the present time.

Political Factors

On the political front, it seems clear that the powers concerned cannot reach sufficient agreement among themselves to bring about a solution without United Nations assistance. The fact that earlier efforts outside the United Nations led inevitably to Security Council consideration of the problem demonstrated this point. The wisdom of the move was reflected in the fact that the Council adopted a resolution giving the United Nations, and specifically the Secretary-General, authority to act.

Canada believes that the Security Council should exercise its primary responsibility for maintaining peace and that the General Assembly should not try to usurp that responsibility unless the Council has failed to act. The UN can no more afford to be dominated by regional majorities than by the great powers or any combination of them. This position has been held by Canada ever since San Francisco and we have consistently sought to have it accepted generally in the United Nations.

Canada believes, too, that the United Nations should be able to respond effectively in Cyprus as it has in other situations broadly similar in nature. In Lebanon in 1958, it succeeded in quelling an incipient civil war and in helping to bring about national reconciliation. In the Congo in 1960, it assumed a heavy responsibility which it could not shirk for fear that deterioration there would lead to wider conflict. The assistance rendered in Yemen during the past year was similarly motivated.

Cyprus attained independence as a consequence of an international agreement reached outside the United Nations, but under the impetus of resolutions adopted in the General Assembly. That earlier action of mobilizing opinion in favour of an agreed solution forms a background for current United Nations efforts to preserve the peace in Cyprus.

This United Nations responsibility for the security and welfare of small states is a cardinal reason for keeping the United Nations in effective being -- both as a peace keeper and as a catalyst for economic, social and humanitarian causes.

Financing

It is not sufficient to pay lip service to this aim. The United Nations can have no real meaning in international affairs unless the many words spoken within its halls and on other public platforms are translated into deeds. At the present time, the most pressing practical requirement is to ensure that the organization has adequate funds for its many activities. Nowhere is the need more urgent than in the field of peace keeping.

For many years, Canada has been striving to promote sound administrative and budgetary methods in the United Nations, including the Specialized Agencies. We were instrumental in recent years in bringing about the establishment of the Working Group of Twenty-one on United Nations Finances in the field of peace keeping. The Canadian position has consistently been based on a conviction that financial contribution to support United Nations action must be shared by all members, great and small. Just as peace is indivisible, so is the financial responsibility for peace keeping. Political decisions designed to preserve security and stability must be backed by sound proposals for sharing the costs.

This is a position of principle which Canada has reiterated year after year. But we have not been so rigid in our belief in that principle as to blind us to practical needs in urgent circumstances. This is why we have supported ad hoc arrangements for financing operations in the Middle East, in the Congo, in West New Guinea. Throughout, however, we have continued to insist that these ad hoc arrangements -- never entirely satisfactory -- must not prejudice long-term financing arrangements which can form the basis for solid planning for peace, both by the Secretariat and by contributing governments. This is the basis of our approach to the financing of a Cyprus operation. We are acutely conscious that steps taken in the emergency situation now prevalent in that island may affect the attitude of member states toward the financing of peace keeping generally. They could influence the future deliberations of the Working Group of Twenty-one. They may even be seized upon by some as a further means of avoiding the Charter responsibility for sharing expenses of the organization -- a responsibility which has been reinforced by the 1962 advisory opinion of the International Court.

It is particularly important to keep these financial considerations in mind because this year Article 19, concerning the loss of vote in the Assembly, could become operative in relation to important members of the organization.

United Nations Preparedness

Once again, the urgent requirements in Cyprus have illustrated the need to prepare in advance for prompt United Nations engagement in peace-keeping operations. This is a matter of contingent planning in United Nations headquarters by military and political staffs, of earmarking, training and equipping units and personnel in national defence establishments, of improving methods for processing United Nations requests for assistance, of standardizing operational procedures.

Canadian views in this regard have been stated so often that it is hardly necessary for me to do more than mention them. We have been pressing for the establishment of a military planning staff which could assist the Secretary-General and his political advisers in establishing and conducting peace-keeping operations. Canada has been exploring ways and means of making its own stand-by arrangements more effective.

Other member states share our views about earmarking and training troops for United Nations service. The Nordic countries and the Netherlands have firm policies in this regard. Recent indications are that more governments are thinking along the same lines.

Last autumn, the Prime Minister, taking note of these developments, suggested that it might be useful to pool experience and ideas for improving United Nations peace-keeping methods. Because of prevailing international political circumstances, this cannot be done at the present time through formal action by the United Nations. For the time being, interested members may have to accept that a permanent peace-keeping force cannot be established, although it has emerged as one of the ultimate goals of disarmament programmes put forward in Geneva.

Yet Cyprus and other situations already on the international horizon show that peace-keeping operations by the United Nations may be needed on very short notice. The demands are almost as varied as the situations which arise. In Greece, Kashmir and Palestine, military observers on the ground were needed. In Lebanon and Yemen, air observers played a key role. In Gaza and the Congo, an international force was essential. On many occasions, the United Nations has urgently needed mediators and conciliators.

The obvious conclusion is that the United Nations cannot stand still in its preparations for such operations. It has accumulated experience but some of the lessons have been learned the hard way. The underlying risk of escalation to war demands more effective preparedness.

Other Factors

Other internal problems need to be solved -- problems of representation, admission of new members, administration. Many of these have resulted from the rapid enlargement of membership. The process of adjustment has not kept pace with that significant development.

Understandably, the new states from Asia and Africa have pressed for greater representation in the various organs. In part, their demands have been met. Last autumn, after nearly ten years of effort, the Assembly adopted resolutions containing Charter amendments for enlarging the Security Council and ECOSOC.

Ratification of those amendments is required and it remains to be seen whether Soviet opposition will be relaxed. Canada believes that these amendments should be made, but we also believe that the members should be equally concerned about improving the functioning of the Councils. We have urged that, in determining their composition as such, attention could be paid to the actual contribution which member states can make as to the factor of geographical representation.

More members means more work for the organization and longer sessions for the Assembly. Since San Francisco, Canada has pressed for improvements in its methods and procedures. This is why I support Dean Rusk's remarks about the desirability of making greater use of working groups and sub-committees, since obviously committees of 113 are cumbersome. As well, we have suggested that greater use could be made of regional groupings, like the Organization of American States and the Organization of African Unity. The Security Council could be given a greater share of the political burden; mechanical voting devices would shorten Assembly proceedings; and naturally all debates would benefit if repetitious statements could be avoided.

Steps like these would do much to enhance the United Nations in the public eye. They would dispel the notion that the Assembly is a noisy debating society. They would give credence to Dag Hammarskjold's vision in his last report of an international instrument for effective co-operation.

Two years before his death and ten months before the Congo crisis, Mr. Hammarskjold told a press conference that the United Nations must respond to those demands made of it. In his prophetic words: "It did take the very steep hill of Suez; it may take other and even steeper hills". There is no doubt in my mind that in the Cyprus situation the organization faces a long and arduous journey uphill.

This alone is not a cause for discouragement or lack of confidence. We should recall that the United Nations has successfully passed through periods of severe trial -- in Korea, at Suez, in the Congo -- and withstood upheavals, such as the intensive cold war debates of the early fifties and the Soviet assault on the Secretariat in the sixties.

I believe that the United Nations can and will overcome the present difficulty in Cyprus. In expressing Canada's faith in the United Nations way, I am voicing our continuing determination to follow a firm policy of support for the United Nations. Canada has always done its utmost to make the United Nations as effective as possible within the limitations imposed by the international situation. This policy has been patiently pursued notwithstanding doubts from time to time about departures from principle and the adoption of questionable methods.

Other nations have been voicing their doubts about Cyprus. Canada is not one of them, although we are concerned to see the maximum clarification of the United Nations role there. We shall not be found wanting in this new United Nations endeavour if other nations are prepared to play their part in what must be an international effort.

In particular, we deplore that lack of financial support should become an obstacle. Just as in the past we have been prompt and generous in responding with men, material and financial contributions, Canada will do all in its power to further the cause of peace -- which in essence is the cause of the United Nations and its members.



CANADA

Gov. Doc
E
CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/6

Canada at the Geneva Disarmament Table

Statement to the Eighteen-Nation Disarmament Committee
in Geneva on March 26, 1964, by the Secretary of State
for External Affairs, the Honourable Paul Martin.

Mr. Chairman, I should first of all like to express to you my gratitude for the very generous words which you used in extending a welcome to me at this table this morning, and I am particularly grateful that you called my attention to the contribution which General Burns and his colleagues representing Canada on this Committee have been able to make to your deliberations. I also thank Mr. Thomas -- as one who apparently attends these deliberations much more often than I, unfortunately, have a chance of doing -- for joining in extending a welcome to me. I should like to say to my colleague the Foreign Minister of Brazil that I am very much honoured that he should be here this morning. I read his statement of Tuesday with great interest. I regard it as a positive contribution to our deliberations, and I must say that I am happy to see him here this morning, because Brazil and Canada have shared some common experiences, and notable among these is our collaboration in the peace-keeping operations of the United Nations in the United Nations Emergency Force.

There is a great temptation for me this morning -- and I am not going to escape it -- to be a little nostalgic. Mr. Butler said, either in open committee or to someone when he was here in January, that the last time he was in this room was in 1939. The last time I was in this room, until this morning, was in 1938. When one thinks of all that has happened since that date -- a great war, all the discussions that led to the establishment of the United Nations and all the discussions that we have had in the field of disarmament, which happily are at any rate continuing --, one can appreciate the importance and the significance of our work in this Committee.

My own associations with disarmament discussions go back to 1953 when, on behalf of three members of the Five-Power Sub-Committee, I carried on some talks with Mr. Vishinsky that led to a reactivation of the Sub-Committee of the Disarmament Commission. While the agreement that we were able to effect was simply on a procedural point, the extent of the deterioration of East-West relations at that time perhaps is symbolized by the recognition that a mere agreement on a procedural point represented a major triumph. So, when we come to estimate and calculate the work of this Committee, we may possibly look upon what has happened, and what has been achieved since that time, and place it alongside the comparatively unimportant achievement of merely resuming discussions, as was done following the talks between Mr. Vishinsky and myself as the spokesman for three other members of the Sub-Committee at that time.

Committee's Record

Two years ago, the Eighteen-Nation Disarmament Committee held its first meeting in this historic room. Since then there have been periods of disappointment -- sometimes of great discouragement -- when progress has seemed painfully slow in the light of the urgency of the problems of peace and disarmament. But I should like to say to you that I think the Committee's achievements are not without some noteworthy aspects, and certainly the world has been watching its work and has reasons, in spite of the frustrations, to feel that there is some justification for encouragement; because last year we saw the direct communications link established between Washington and Moscow, the decision not to station or orbit weapons of mass destruction in outer space and, above all, the agreement to stop nuclear-weapon tests in three environments.

Those are the first steps which have been taken since the last war to curb the senseless arms race, and they were the result of long, and at times very difficult, preparatory work that was done here. This demonstrates, I think, the truth of what I said at the last session of the General Assembly -- that the Eighteen-Nation Disarmament Committee is the most effective forum for disarmament discussions which has yet been established under the auspices of the United Nations. Canada, which has participated in disarmament negotiations since their beginning in the United Nations (and I need not emphasize this), will continue to support wholeheartedly the work of this Committee.

At the moment, my main concern -- and I am sure it is shared by all of you -- is that the impetus created by the agreements reached last year must not be lost, for a breakthrough was effected last year, and it is our responsibility to make sure that we follow up those first steps with further advances this year towards slowing and then halting the arms race.

This morning I should like to limit myself to the discussion of a number of issues on which my Government believes that real progress towards agreement is possible in the near future. Of course, Canada continues to regard the negotiation of a treaty on general and complete disarmament as the main task of the Eighteen-Nation Disarmament Committee. But I believe that the Committee's detailed examination of the disarmament problem has convinced all members that the way to general disarmament must be prepared by agreement on what are called collateral measures.

Nuclear-Weapon Vehicles

The crucial problem of how to reduce, and finally eliminate, nuclear-weapon vehicles from the arsenals of the nations has been long and vigorously debated. Unfortunately, no agreement has been reached so far, but it would be wrong, I think, to say that the discussion has not yielded some results. The work the Committee has done on that central problem has given us all a better understanding of the basic difficulties involved; and it has led one of the major military powers -- the Soviet Union -- to make significant amendments to its original proposals. Canada hopes that further negotiations here will serve to increase the area of common ground on this issue. However, there still remain great differences in the views of the two sides on how nuclear-weapon vehicles should be reduced in number and finally abolished. In the absence of agreement,

the great military powers are adding continually to their stocks of such armaments. We cannot fail to observe this, and, in my view, it shows us very clearly that we must explore the possibility of checking the arms race in this particular field by adopting certain collateral measures that are before the Committee.

Proposed Collateral Measures

My Government believes that the Conference should select from among the following collateral measures those which, either taken singly or in combination, are most likely to lead to early agreement, and should concentrate its attention upon them during the next period of its work:

First, the freeze of strategic nuclear-weapon vehicles proposed by the President of the United States;

Second, the destruction of a number of long-range nuclear bombing aircraft proposed in different forms by the Soviet Union and the United States;

Third, the non-dissemination of nuclear weapons;

Fourth, the cessation of production of fissile material for nuclear weapons and diversion of existing stocks to peaceful uses;

Fifth, the establishment of a system of observation posts to prevent surprise attack;

Sixth, a comprehensive test ban; and

Seventh, the strengthening of the United Nations capacity to keep the peace.

U.S. and Polish Proposals

First, I should like to devote special attention to the proposal which President Johnson submitted to the Conference in his message at the beginning of this year - that there should be a verified freeze of the numbers and characteristics of strategic nuclear-weapon vehicles. The adoption of that proposal would, my Government believes, greatly facilitate the subsequent reduction of these, the most costly and potentially dangerous of all armaments. Let us agree to halt the present upward spiral in the numbers of strategic missiles and bombers; let us agree to stop where we are now. That would help us to find an agreed method to reverse the process, to begin disarmament in this field. Canada firmly believes that the Committee should devote the most careful attention to this proposal for a freeze of these means of delivering the weapons which both sides now hold in such devastating quantities.

We are all aware of a proposal which, while it is not formally before this Conference, the Government of Poland has recently circulated for another kind of "freeze" -- of nuclear bombs and warheads in a certain area of Central Europe. My Government will be replying in the near future to the memorandum it has received on this subject. I shall say no more now than that we welcome every sincere effort by any nation, and especially by any nation represented at

this table, to find solutions to the problems of how to begin disarmament. We recognize the constructive part often played by the representatives of Poland in disarmament discussions. We do find objections to the Polish "freeze" proposal, of which we shall be informing the Polish Government in our reply. However, I should like to say that some elements of that proposal are worthy of further study in this Committee with a view to finding a combination of measures preliminary to disarmament which would be acceptable to both sides as mutually advantageous.

There are other proposals submitted by the Soviet Union and the United States which, if adopted, could have an immediate effect in reducing the dangers created by the enormous aggregations of nuclear-bombing aircraft and nuclear-headed rockets. Last week the representative of the United States presented in some detail, as the Committee knows, the proposal of his country for beginning the destruction of certain types of bombing aircraft now. There is also before the Conference a counter-proposal by the Soviet Union for the destruction of all bombers. My Government warmly welcomes that offer by both those countries to begin the disarmament process with the actual physical destruction of some major armaments. One of the best features of that approach is that it would involve only the simplest sort of verification. An early agreement to send to the scrapheap some of the major means which the great powers now have of delivering nuclear weapons to their targets would reassure a sometimes sceptical world that the great powers were really serious about disarmament. It would also ensure that those aircraft -- obsolescent by super-power standards -- would not be sold to lesser powers, in whose hands they might threaten neighbouring countries.

Bomber Reduction

It would be an outstanding achievement if the Eighteen-Nation Disarmament Committee could report to the coming session of the General Assembly that the powers had agreed on the destruction of a large number of bombers. In my view, this Committee should try to reach an arrangement which would cover as many bombers as is feasible at the moment, but it should not invite delay or even failure by trying to extend it too far. Once the process of actual physical destruction has been set in motion, we could consider the possibility of broadening the scope of this measure to include other types of nuclear-weapon carriers, including some missiles, as I note was suggested by Mr. Thomas. We, therefore, hope that the Eighteen-Nation Disarmament Committee will pursue vigorously the prospects for early action which these proposals offer.

While neither side has been prepared up to the present time to accept in their present form any of the collateral measures proposed by the other, I believe that a number of the proposals could be related in a way which would assist in the reconciliation of views. For example, if the Soviet Union has misgivings that a freeze of strategic nuclear-weapon vehicles would not ensure halting the over-all arms race, it might be convinced if an agreement on the freeze were combined with an agreement to undertake simultaneously the physical destruction of certain types of bombers on the lines of the United States proposal.

Reduction of Military Budgets

Then, the Soviet Union has urged that there be an early agreement on a reduction of military budgets. I think that all nations would welcome a reduction of military expenditures, and the unilateral moves which have been made in this respect by the United States and the Soviet Union have received world-wide commendation. In passing, I may say that my own country has made a reduction in its defence spending this year. I think that all countries represented here would certainly be anxious, given the proper conditions, to see a reduction everywhere of military expenditure. In this connection, I have noted that, in the view of the Soviet Union, while the stopping of production of strategic nuclear-weapon carriers would immediately produce significant savings in one sector of the military expenditures of the greater powers, there is a danger that the resources so liberated might be used to increase the numbers of short-range missiles and conventional weapons. Perhaps this could be prevented by introducing a verified system of budgetary limitation.

Limiting Spread of A-Arms

My country welcomes the importance which this Committee is giving to the vital matter of preventing the wider dissemination of nuclear weapons, that is to say, preventing an increase in the number of states with an independent capacity for waging nuclear war. We are glad that both the Soviet Union and the United States have included this item in their lists of collateral measures. The partial test ban is a first step to check an increase in the number of nuclear powers, and this Committee has been enjoined by a resolution of the eighteenth session of the United Nations General Assembly [1910 (XVIII)] to continue its search for a comprehensive test ban. We must now, therefore, seek to agree on further guarantees against the grave dangers which the spreading of nuclear weapons would present both to the prospects for disarmament and to the peace of the world. The basic position of my country in this respect is governed by the terms of the Irish resolution [1665 (XVI)] adopted unanimously by the General Assembly in 1961. We continue to support the terms of that resolution, which call for the conclusion of an agreement which would contain certain provisions:

"...under which the nuclear states would undertake to refrain from relinquishing control of nuclear weapons and from transmitting the information necessary for their manufacture to states not possessing such weapons, and provisions under which states not possessing nuclear weapons would undertake not to manufacture or otherwise acquire control of such weapons".

At the same time we recognize that, even without such a universal agreement as is called for in that resolution, there are important steps which can and should now be taken to help prevent wider dissemination. The United States has among its proposals a number of specific suggestions for early action. The most far-reaching of those proposals involves the cessation of production of fissionable material for weapon purposes and the transfer of agreed quantities of such materials to peaceful uses. Not only, of course, is that measure directly relevant to the solution of the non-dissemination problem but its implementation would mean that the first all-important step had been taken towards actual nuclear disarmament.

Controls over Peaceful Transfer

My country, as one of the states with a highly-developed atomic industry, is particularly interested in another of President Johnson's proposals, which is related to non-dissemination, and that is the application of appropriate safeguards over transfers for peaceful uses of fissile materials and related equipment. This is a question of special concern to us, since we have been actively associated recently in a number of important projects to assist other countries in the development of the peaceful uses of nuclear energy. Therefore we warmly welcome the progressive development of the International Atomic Energy Agency safeguard system and have been greatly heartened by the growing co-operation which has taken place in the extension of an effective safeguard system. In this context, we believe that the recent proposals of the United States Government, involving as they do the progressive acceptance by the developed nuclear powers of safeguards, are a great step forward. The application of safeguards would yield experience highly relevant to the problems of controlling nuclear disarmament. Therefore it is a matter of concern to this Committee and deserves its close attention.

Observation Posts

I listened with great interest this morning, as I am sure we all did, to what Mr. Thomas said on the subject of observation posts, and we shall look upon the paper which is an annex to his interesting statement as a positive contribution on this particular subject. We welcome the presentation of the working paper because we think it will assist the Committee in focussing its discussion both on how a system of observation posts could lessen the danger of surprise attack and on the practical problems involved in the establishment of such a system. The representative of Nigeria pointed out recently that measures to prevent the risk of war (although both sides have made proposals in this area) have not yet received the attention which he thought they deserved at this session of the Eighteen-Nation Committee. With the submission of the United Kingdom paper, the Canadian delegation looks forward to the opening now of constructive discussion on this subject, both at the co-Chairmen's meetings and in the Conference. Since both the Soviet Union and the Western powers have made suggestions with respect to observation posts in the context of measures to reduce the danger of war, this subject seems to us a promising collateral measure for discussion at this time; and, as so many delegations observed at the last session of the General Assembly, we hoped -- and I continue to hope -- that we shall reach agreement on this subject before too much time has expired. A system of observation posts, by providing assurance against surprise attack, would in the Canadian view result in a significant decrease in East-West tension. Canada believes that the establishment of an appropriate system of such posts would lead to progress in disarmament negotiations and, indeed, perhaps to progress on the main political problems dividing East and West.

Adequate Peace-Keeping Machinery

There is one other subject that I should like to mention. It is the development of adequate peace-keeping machinery. I do not think I need to remind the members of this Committee of the importance which my country attaches to this subject. Canada, as is known, has recently been intimately associated with the problems of United Nations peace keeping, as a result of the tragic happenings in

Cyprus. I am sure that my colleagues here will understand when I say that Canada takes pride in the role it has assumed over the years in a series of situations where the United Nations has been called upon to fulfil its Charter responsibilities to preserve the peace. In the Suez crisis, in the Congo, in the Yemen and, most recently, in Cyprus, Canada has met what it regards as an obligation to contribute to the efforts of the United Nations to preserve international peace and security. Outside the context of the United Nations, Canada has participated, together with India and Poland, for nearly ten years now in the International Supervisory Commissions in Vietnam, Laos and Cambodia. My Government places a high value on the efforts of those bodies to preserve peace and stability in Southeast Asia. As a result of those experiences, we have become convinced that better organization of United Nations peace-keeping forces is a most important objective.

At the last session of the General Assembly, my Prime Minister made specific suggestions on what states could do to enable the United Nations to respond more effectively and promptly when a force was required to assist in the re-establishment of peaceful conditions. As recently as 21 March, Mr. Pearson said on this matter:

"For years now at the United Nations Canada has taken a lead in advocating a permanent international force which will be organized and equipped and available to move in swiftly to keep the peace in these danger spots. How long are we going to have to improvise, to rely on a few members of the United Nations to carry the burden and do the job which should be done by the United Nations as a whole?"

He was, of course, influenced in making that observation by the haphazard, unprepared arrangements that attended the situation which led to the establishment of the international force in Cyprus. He continued:

"I still hope to see the day when we will have an organized, equipped and genuine international force under the national control of the members but available for use at a moment's notice."

The Canadian Government believes wholeheartedly in the peace-keeping role of the United Nations and we will support all moves to increase its ability to perform that role with increasing effectiveness.

I mention this question now because the development and strengthening of peace-keeping machinery and methods for the peaceful settlement of disputes have a direct relation to the negotiations on disarmament in this Committee. The longer-term relevance of peace keeping to disarmament is demonstrated by the fact that the disarmament plans of both the United States and the Soviet Union include provisions for the development of peace-keeping methods. As nations in the course of disarmament give up the means which they now have to preserve their national security, it is essential that alternative methods of preserving that security should be progressively established. It is clear, therefore, that the Eighteen-Nation Committee on Disarmament has a responsibility to discuss the development of adequate peace-keeping machinery in the context of disarmament.

But, besides the long-term problem -- how to solve international disputes and keep the peace in a disarmed world --, we have the problems of peace keeping of yesterday and of today, that is, before the process of disarmament has begun. We must be prepared to cope with the same kind of problems until that process begins. The lessons of recent experience should guide us in planning for the long-term goal, and, in planning peace-keeping methods and machinery for the nearer future, we should have that long-term goal in mind. I believe that study of these long-term problems in this Committee can usefully complement the continuing efforts in the broader forum of the United Nations to lay firmer foundations for the organization's peace-keeping function.

Canada's Faith in the Committee

Finally, I should like to reaffirm my faith and that of my Government in the work of this Committee as a negotiating body which can make real progress in the months ahead towards the solution of disarmament problems. We attach great importance to the institution of the co-Chairmen. That arrangement encourages informal bilateral discussions, in which we have always had strong belief. The Moscow-Washington "hot-line" arrangement was a by-product of those discussions, and I hope that there will be further achievements and agreements as a result of these bilateral discussions. May I say that the presence on this Committee of the uncommitted nations has, in our judgment, strengthened these discussions. World opinion is practically fully represented on this Committee as a result of the present composition of the Committee as a whole. The proposals which have been submitted, particularly in the field of collateral measures, provide ample material for constructive negotiation at this time. I have pointed out some of the proposals which, taken either singly or in some combination, do, I believe, hold out good prospects for agreement in the near future.

There has been much discussion in the past few months about whether a détente in East-West relations exists. While there is an improvement in our relations, we note that the major political problems continue to be unresolved. However, we feel that there is very strong evidence of a real improvement in East-West relations, and undoubtedly that has been made possible by the measure of limited agreement which began last August, in particular, with the initialling by the three great powers of a test-ban agreement and the subsequent action of over 100 other countries which joined in support of that agreement. Therefore, some limited agreement by this Committee within the foreseeable future would have a tremendous effect in keeping up the momentum that began last August.

It is my earnest hope that the Eighteen-Nation Committee on Disarmament will concentrate its efforts wherever it seems most likely that an advance can be made and that, having done so, the Committee will be able to report to the next session of the General Assembly of the United Nations that we have moved closer to our goal of a disarmed and peaceful world.

The Cyprus situation raised such a demand yet, when the call came for the United Nations to establish a peace force in Cyprus, the response from member governments was on the whole disappointing. Canada was among the first countries to be approached for assistance. We were the first country to commit itself definitely to provide troops. Other nations joined us in this move and I pay warm tribute to Sweden, Finland and Ireland, whose contingents are to serve with Canadians in the Cyprus operation. I make special mention to the United Kingdom, which is continuing under the United Nations flag to contribute substantially to the cause of peace in that troubled island.

Why was the response restricted in size and slow in execution? If we examine some of the factors, we may detect some basic cause of weakness and see ways of strengthening the United Nations capacity to meet peace-keeping demands.

Hesitancy of UN Members

At the United Nations, the general attitude toward the Cyprus crisis was one of hesitation. The great powers were divided on the issue - but this was not unusual. A large number of countries appeared indifferent to the deterioration of a situation which threatened to explode into international conflict. A few states wanted to take advantage of the situation for their own mischief-making, but most states seemed reluctant to have the United Nations involved at all. There was a marked unwillingness either to provide contingents for the force or to contribute the necessary funds for the operation.

We can take comfort from the fact that the Security Council on March 4 decided to establish a force and appoint a mediator; that, after some delay, five member governments agreed to provide contingents and ten to make contributions to the voluntary fund for financing the operation. The force is now operational under General Gyani and the mediator has taken up his difficult assignment.

Now, I realize that the situation in Cyprus poses a very difficult problem for the United Nations. It will not be easy to arrive at a political solution. It may not be easy to maintain order. There is latent danger in the bitterness and distrust which past violence and bloodshed have engendered in the two communities inhabiting the island. The United Nations mediator and the United Nations policemen on the Cyprus beat will require courage, patience and endurance. They will have to choose their way carefully through the maze of difficulties and dangers.

But in the past the United Nations has not shirked its peace-keeping responsibilities merely because of difficult situations. The Congo operation had its share of complication and risk. What it did not have, and what is needed most in these situations, is the wholehearted support of United Nations members. This means not only political and moral support but men, materials and money. The United Nations must have adequate resources to perform its tasks.

Financing Cyprus Peace Force

The method of financing the Cyprus force is significant because, once again, it brings into sharp focus the fundamental issues raised in relation to the financing of these peace-keeping operations. This audience will be aware that for the past few years the United Nations has been teetering on the brink of bankruptcy, because of the heavy burdens assumed in the Middle East and the Congo but more significantly because a number of member states - including two great powers - with full capacity to pay have failed to pay their share of the financial costs. Others have been slow in paying, even when reductions were granted to take into account their relative incapacity to pay.

This is a deplorable situation for an organization established primarily to maintain peace and security. It is especially urgent in view of the growing demands for peace-keeping operations, which have demonstrated their worth. It is moving toward a climax this year because a number of states, including the Soviet bloc, now have accumulated arrears of payment which make them vulnerable to Article 19 of the Charter. It provides for the loss of vote in the General Assembly when arrears amount to two full years. When it next meets, the General Assembly will have to deal with this critical situation, which has far-reaching political and financial implications, unless steps have been taken in the meantime by those in default to liquidate their arrears.

Canada's Straightforward Policy

As a consistent and firm supporter of the United Nations, Canada believes that all member states should willingly accept their share of the financial burdens of peace-keeping, just as they all share in the benefits which flow from continuing peace and stability. Our policy in this regard is straightforward. We have responded promptly to requests for military assistance in all theatres of United Nations peace keeping. We have paid our assessments in full. We have made voluntary contributions on an ad hoc basis to keep the operations afloat. We have made and supported proposals designed to afford an opportunity for negotiated settlement of the financing arrangements.

We are convinced that the principle of collective responsibility is the only sensible basis for financing peace-keeping operations. We believe that Article 19 was intended to provide the sanction for that principle. But recognizing the practical difficulties which have arisen, Canada seeks accommodation - and not confrontation - on these fundamental issues. We shall continue to do so in the United Nations bodies established specifically to deal with these financial problems. We strongly urge the delinquent states to approach such discussions constructively, to join with us in our determination to resolve the financial dilemma and ultimately the political conflict which underlies it.

Improving Peace Operations

We also invite other states to consider jointly what can be done to improve the United Nations methods for establishing peace-keeping operations. We are fully aware that standby arrangements within the United Nations framework are not immediately feasible, because of political and practical problems which have priority. But we are equally aware from diplomatic discussions that some members are disturbed about the sad state of United Nations preparedness in this important area of activity. Like Canada, they have made their own arrangements for earmarking national contingents for United Nations service. Canada regards this as a promising and practical approach in the face of prevailing circumstances, and one which should be developed through closer consultation among interested states.

There are these practical problems and the underlying political issues, which have proved intractable for a long time - questions of organization, representation and procedure. In particular, the Security Council needs to re-assert its authority for exercising political control in relation to peace-keeping operations. This need goes beyond the control of operations because in essence they may be without lasting benefit unless the actual causes of tension and disturbance can be removed. To exert its proper influence the Council should be enlarged to permit a balanced composition in its membership with equitable representation for all geographical areas. Its functions should be performed fully and perhaps modified to meet the changing situation in the world. These and other constitutional questions beg for answers as the United Nations approaches its twentieth year.

Peace Arrangements Cannot Delay

But the practical problems of peace-keeping today cannot wait long. In Cyprus they must be solved pragmatically, as the United Nations finds its footing there and confidence is restored. In the General Assembly - and before that in the Working Group of Twenty-one on United Nations Finances - the financial dilemma must be faced squarely and constructively. And in the future, whether formally inside the United Nations framework or outside it in the arrangements of interested member states, the methods for training, assembling and directing international military forces must be improved so that they can be deployed on the shortest notice.

These are the formidable challenges of the immediate future. They may loom even larger during the coming summer. But the very size of the problems, their complexity and their significance require that United Nations members of all shades of opinion face their responsibilities in this regard resolutely. They must put aside their short-sighted and debilitating manoeuvring for national, regional and ideological influence. They must demonstrate their determination to co-operate in keeping the United Nations effective. Our era of limited peace demands no less.



CANADA

Gov. Doc
CAN
E

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/8

THE UNIVERSITY AND INTERNATIONAL AFFAIRS

A Speech by the Secretary of State for External Affairs,
the Honourable Paul Martin, to the National Conference of
Canadian Universities and Colleges, Ottawa, April 20, 1964.

It is both a pleasure and a privilege for me to have this opportunity of speaking to this Conference of Canadian Universities and Colleges. "The University and International Affairs" is a subject with which many of you are closely concerned and one which has interested me intensely for a long time and I appreciate this opportunity of telling you of some of my own thoughts and hopes in this challenging field of endeavour.

There is a direct relationship between Canadian foreign policy and the work done at Canadian universities. Both in the formulation of Canadian policy and in the creation of public understanding and public support for Canadian foreign policy, it is absolutely essential that this relationship be vigorous and vibrant if Canada is to have a foreign policy which will allow us to have our maximum influence in today's changing world. Certainly, over the years there have been very close ties between the Department I am privileged to preside over and the universities. Some of our most distinguished Canadians, men like O.D. Skelton, R.A. MacKay, George Glazebrook, Norman Robertson, Marcel Cadieux and many others, have been and are equally at home in either milieu. I express the hope that this valuable interchange, which is part of the Canadian tradition, between the Department of External Affairs and the universities can grow and flourish even more in the days ahead.

The philosopher, Alfred North Whitehead, once said: "A university should be, at one and the same time, local, national and world wide. It is of the essence of learning that it be world wide and effectiveness requires local and national adaptations. It is not easy to hold the balance. But unless this difficult balance be held with some genius, the university is to that extent defective."

The primary responsibility of the university community must always be to itself, to its own ancient and honoured traditions of freedom. By remaining true to its own heritage of scholarship and learning and the relentless pursuit of truth, the university will respond to the great new demands which confront our contemporary world.

Internal Pressures Never Greater

At this conference you have been studying a document which discusses the nature and extent of international studies in Canadian universities. You are meeting to study the implications of this report at a time when the internal pressures upon Canadian universities have never been greater. Too many students and too few professors, too many legitimate needs and too few dollars - this is the cruel dilemma facing Canadian universities today. And yet, in spite of this dilemma, I think we all recognize that the evolution of the international character of all our institutions today demands every determination and every sacrifice of which we are capable. Whatever may be the difficulties, the universities must be in the vanguard of mankind's march towards a true international order.

The university at its best throughout the centuries has always displayed an international character. Since ancient times, when Horace and the younger Cicero left Italy to take advanced studies in Athens and later when the scholars of the Near East journeyed to Alexandria, this trend has continued down through the centuries. Perhaps it reached its finest hour in the early Middle Ages, when Paris, Bologna and Oxford exhibited a cosmopolitan character, the very recollection of which still presents a sense of excitement and exhilaration.

In this century the movement of international students and the stimulus to internationalism which they represent has developed into one of the most positive and priceless aspects of the "jet age". I am glad to take this opportunity to offer my congratulations to a new organization which has recently been established in Canada, known as the Canadian Service of Overseas Students and Trainees. This organization, which has assumed responsibility for continuing and extending most of the national services for overseas students and trainees that have previously been provided by the National Committee for Friendly Relations with Overseas Students (FROS), World University Service of Canada (WUSC), and the joint FROS-WUSC Overseas Students Reception Service, is most welcome. It has a highly important and valuable role to play in providing friendship and guidance to international students, and the Government deeply appreciates this initiative and assures this organization of our fullest co-operation.

Today we often hear cliches about the challenges of the contemporary world. The ever-apparent crisis of the moment is always upon us. However, there is no doubt that today we are living in the most rapidly changing world in all history. The pace of change is breathtaking.

Crisis of Rapid Change

These are days in which the old terms of reference as we used to know them are no longer adequate, days in which new power centres are coming to life in Africa, in Asia, in Latin America and in other parts of the developing world, days in which the whole nature of the international structure is in the process of transformation, days in which some of the old traditions upon which most of our learning has been based may need to be re-examined.

It was Gibbon who once observed that: "There exists in human nature a strong propensity to depreciate the advantages and to magnify the evils of the present time." But I assure you that it is no obsession with the contemporary that suggests that our civilization has come to a crisis point of unprecedented gravity caused by a failure in communication and understanding between peoples of different races, backgrounds and continents. The rapidity of change in virtually all areas of human endeavour today has greatly increased our interdependence and made our task of living together in peace with our fellowmen on this small planet much more complex, much more hazardous and much more imperative than ever before.

The superlative need is for knowledge and for understanding. It is here that the university must accept its primary and fundamental responsibilities to provide more knowledge and more understanding, so as to better lay the foundation-stones for the new international situation in which we find ourselves.

I think it is probably true to say that, when the average graduate of a Canadian university thinks about international affairs, he does so essentially in terms of North America or the North Atlantic triangle, or perhaps Western Europe and the older Commonwealth. In these areas he has a certain background, a certain feeling for history, a certain depth in political theory and in general and basic information. But if he reads about Asia or Africa or South America or China, as so often he does today, he has little or no background. He has few terms of reference and few points of departure and he reads what is offered without perhaps enough critical facility or capacity for judgment.

I think it is here that one can see most clearly the relationship between the university and international affairs in Canada. The academic community performs the invaluable function of increasing the basic fund of knowledge in Canada about developments in international affairs and the problems and attitudes of foreign countries.

Need for More Foreign-Policy Research

We need much more research on foreign-policy problems in Canada. We need more information about foreign countries. This research, to be really meaningful, will in turn require a solid basis of scholarship. As events and developments in Africa, Asia, Latin America, Eastern Europe and in China have to be more and more taken into account in the formulation of our foreign policy, the need for our universities to provide us with the knowledge and understanding of these areas becomes very urgent. Until there exist in our universities strong centres for studying these areas of the world from which good research can be done, a knowledgeable body of experts can be assembled, and undergraduate and graduate courses can be formulated, we shall not develop in Canada that informed and articulate public opinion which in our democracy must constitute the bed-rock upon which our policies are formulated. On this point let me quote to you from the report you are studying at this conference:

"The broad conclusion of this report is that the sound formation in these fields of study has yet to be realized in Canada. There is an urgent need, on the part of Canada as a whole, for development of these studies. This need must therefore be a concern of all Canadian

universities. Also, because it is a need of Canada as a whole, it must be a concern of the Federal Government; and, because Canada is governed by a federal system in which education comes under provincial jurisdiction, it must be a concern of provincial governments. The urgency of this matter calls for a new sense of commitment and for co-operation, collaboration and action by the universities, the Federal Government and the provincial governments."

We need to get on with this action, and I hope this conference will mark an important step in this determination.

Let me turn now to discuss with you a few of the many ways in which the Canadian universities and the Canadian Government are now participating in the great adventure of spreading knowledge round the globe.

For several years now, the University of British Columbia has been co-operating with the Universities of Malaya and Singapore to establish a Department of Business Administration. The University of British Columbia has sent out a number of professors each year and has brought graduate students back to Canada for training. Next year this Department will be able to function on its own. The External Aid Office has looked after much of the financing of this project.

A similar contract has been made between the Universities of Toronto and Mangalore in the field of graduate engineering. Another half dozen contracts are being arranged at present with other universities.

A similar example is Father Levesque's project in Ruanda in East Africa, where a French-speaking university is being established under his leadership. Canada has given eight professors to this university.

There are a number of other forms of university assistance. Canadian professors are at present serving abroad, in India, Basutoland, Ghana, Morocco, Kenya and Tanganyika and at the University of the West Indies.

Twenty-seven university teachers are abroad at present, and we have requests for another 40. I hope you in the universities will second these to us so that they may feel somewhat secure in their adventure -- because they will return to you more valuable than ever with the experience acquired.

I look forward to the day when every university in Canada is co-operating with at least one other in one of the developing countries to their mutual advantage. Perhaps the year 1965, which, as you know, has been designated by the United Nations as International Co-operation Year, may provide a special incentive for more individual initiatives between universities in this country and those abroad. It would certainly be a wonderful Canadian contribution to ICY and an inspiring example if we could take the lead in developing these kinds of contact next year.

Canadian Universities Service Overseas

I should like to take this opportunity to make an announcement regarding the Canadian Universities Service Overseas. This good organization, which has done so much useful work the last few years in providing opportunities

for young Canadian graduates to serve in the developing countries, has proven its mettle. Those individuals who were instrumental in the development of CUSO, the Canadian universities which have so strongly supported the organization and the Canadian University Foundation, which has played an important role in its administration, have every right to be proud. CUSO has done much and done it well.

I am very happy to announce this evening that the Government will provide transportation for this year's CUSO volunteers from Canada to their destination in the developing countries. By entering into this kind of constructive and practical partnership, the Government will be giving tangible recognition of the strong support we have for this voluntary organization. At the same time, we want to encourage and sustain the essentially voluntary nature of CUSO. It is from its voluntary and non-governmental character that CUSO gets its spirit and its impetus and we must do everything to make sure that this spirit and this impetus remain undiminished.

I believe that, in the relationship between the Government and the voluntary associations in Canada in the field of international aid, we have a unique and precious opportunity to create a new and vibrant concept in international development. I should like to see a close collaboration develop between all these associations and the Government, all playing their proper role.

In our time, international development is the task of every man. This is not something that government can do alone. Here is an opportunity for all sectors of the Canadian community to join in a great constructive international partnership. I assure you that the Government will play its full role.

Somewhere in his writings, Ralph Waldo Emerson once said: "It is the eye which makes the horizon". In free societies it is the university which must provide the beacon to light the way ahead. The problems we face in today's world are numerous and often depressing. Sometimes we seem to be making little progress. Yet we must not lower our eyes from the horizon. Simply because of the immensity of our challenges, we must pursue our ideals with a faith and a resolution which must stand undiminished before any threat. The great imperative of our time is the creation of a true international community and a more secure international order based on strong moral and intellectual foundations.

Like any community, this international community depends in the final analysis upon its citizens. Upon the universities, first and foremost, rests the responsibility for developing and nurturing these citizens of the world. This is a frightening and an awesome responsibility. It is also one of the greatest opportunities and richest privileges that the universities have ever encountered, for this is a goal which has been latent in the idea of the university for centuries. It is a goal which in our time has become an absolute necessity, a goal which demands and is worthy of our mightiest endeavours.



Go. Doc
607
CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/9

THE EIGHTH LIVELY ART

Address by the Honourable Maurice Lamontagne,
Secretary of State of Canada, to the Radio and
Television Executives Club, Chateau Frontenac,
Quebec, April 6, 1964.

May I say that it was with sincere pleasure that I accepted the invitation to speak to your Club, whose meeting here in Quebec coincides with the annual convention of the Canadian Association of Broadcasters? I am particularly gratified because your invitation has given me a unique opportunity to meet so many of you Canadian broadcasters and because this is the first chance I have had, since assuming my new ministerial responsibilities in February, to publicly review the conditions and problems of broadcasting in Canada today.

"The Eighth Lively Art" is the title I've chosen for the remarks that I'd like to make today. You may recall that in 1924 Gilbert Seldes, the American critic, first published his book "The Seven Lively Arts" and thereby gave a new popular phrase to the English language. In his book, Mr. Seldes discussed the comics, films, jazz and other popular arts, which at the time were not highly touted by the serious critics. Many years later, Mr. Seldes described how, six months after his book was published, he first heard a radio broadcast and realized a new lively art was born - broadcasting. So I think it appropriate to call broadcasting the Eighth Lively Art, which may be more lively than the other seven at the moment, as some of you will agree.

May I take a moment here to extend my congratulations to Canadian broadcasters for their own liveliness in winning international awards during the past year - to the CBC for its Ohio Awards, to radio station CKVL Verdun and its "L'Espoir" series for the Spanish ONDAS Award, and to McKim Advertising for its radio commercial award at the International Broadcasting Awards Competition?

Since I think Canadian broadcasting is best considered in the context of the general state of affairs in the country, as a prologue to my specific remarks on broadcasting I now would like to make some observations about the current crisis in Canada, the great Canadian crisis, which we must solve in order to ensure the survival of our nation.

A Dialogue of the Deaf

We all realize that at the present time our country is undergoing a period of great tension. Some believe that even the unity of the country has become unacceptable. Others think the very foundations of our federal system should be reviewed. For yet other people, at the other extreme, any change, any evolution towards accommodating Quebec's aspirations appears like a dishonourable concession. This dialogue of the deaf is so prevalent that the voice of moderation, when it speaks, is barely heard.

This confusion of attitudes has deep historical roots. Let us go back, for a moment, to 1867. It is often said that Confederation was not sought for itself; it was a marriage of convenience. In fact, the political unification of Canada - Confederation - effected in 1867 was mainly motivated by political and economic aims.

Politically, in 1867 English-speaking and French-speaking Canadians desired to maintain a Canadian identity distinct from that of the American, to ensure that the Canadian community would survive alongside the United States. Confederation was the means of reaching this goal, and until now it has succeeded in that aim. However, Confederation must, in one form or another, continue to succeed even more in the future for, as Claude Ryan, associate editor of Le Devoir, wrote recently: "I believe that a political society made up of people of different cultures and religious denominations, far from being unviable, can prove to be more favourable than a monolithic society to the development of liberty and the rule of reason."

Economically, in 1867 our country was composed of colonies that believed that economic co-operation could improve their individual and common strength. Confederation was their means of bringing about that improvement, and here again it has succeeded. Today our country is one of the wealthiest in the world, with a standard of living surpassed only by that of the United States and Sweden (though by saying this I don't mean at all that we should be complacent about our economy, about our regional economic difficulties, or about the low standard of living of many Canadians).

Cultural Development Neglected

It seems to me, however, that in one sense our nation is based on a triangle composed of the political, the economic and the cultural; and while the political and the economic were provided for in 1867, no provision was made for the third side of this basic triangle - our common cultural development. By culture, I mean here culture as suggested by the English author Matthew Arnold; that is, the study and pursuit and enjoyment by the general people of all sides of our humanity - our thoughts, our art, our literature, our performing arts, the best which has been thought and said and fashioned in the world... "and, through this knowledge, to turn a stream of fresh and free thought upon our stock notions and habits".

Since 1867, we have left our cultural life almost exclusively to personal initiative and to private organizations. As a result, the body of our national culture has remained relatively anaemic; and, to the extent of

their development, our principle cultures, French and English speaking, and even our other cultures, have grown up in isolation. This cultural poverty and isolation are two of the main sources of tension in our country today. It is because of them that some people in Canada believe that survival is only possible in isolation and that others cannot appreciate the contribution of a culture different from their own. Those two forms of cultural separatism are no longer possible in Canada, for, as the eminent Canadian historian Frank Underhill stated last summer at the Couchiching Conference:

"There are too many cultural influences today which cross and re-cross national boundaries for a doctrinaire cultural separatism to be viable. And this, of course, is something which we English Canadians need to remember also when we reject opportunities to learn the French language and to enrich our own culture. Cultural interrelationships may be dangerous, but cultural isolationism is in the long run fatal."

Body and Spirit Out of Balance

Our cultural poverty is the origin of our present tension in yet another way. For, when we compare this poverty with our economic progress, it reveals a deep imbalance between body and spirit which years ago the celebrated French philosopher Henri Bergson noted in the modern world.

Bergson described the powerful mechanical extensions of man's body through modern technology, extensions which outpaced the development of man's spirit. "Now, in this body so immeasurably enlarged" said Bergson, "the spirit remains what it was, too small to fill the body, too weak to give the body direction... That explains the dangerous social, political and international problems that are so many indications of that void and which, to fill such a void, give rise today to so much unco-ordinated and ineffectual effort... The enlarged body awaits an addition to the spirit."

Since 1867, as I said before, our country has developed materially at an accelerated pace. And yet that wealth has left an increasing void in the lives of our people. We, too, are in need of "an addition to the spirit", and we shall obtain it only if we intensify our cultural life, if we enrich our two main cultural strains, and if we make both of them meet more often.

We need a spiritual reinforcement to provide cultural exchange and enrichment among Canadians, to help us escape the spiritual "wasteland" - if I may use that shivering word among you broadcasters - the spiritual wasteland of our utilitarian tradition, and also to assist us to find a new identity as Canadians, for which we need Canadian information, about ourselves and about others, whether news or entertainment, supplied and clarified by Canadians in our national interest.

Tradition of Non-Intervention

In cultural matters, I think we have adhered much too closely to the American tradition of non-intervention by government. As a result, our

cultural life is relatively weak and dangerously exposed to the dominating influence of the United States, and our Canadian identity remains too vague. It is well to realize, when talking of this, that even the Americans recently have seen that complete governmental non-intervention may not be enough even for them. The late President Kennedy hired a special Consultant on the Arts, Mr. August Heckscher, who wrote for him a substantial report on "The Arts and the National Government". And clearly President Kennedy himself had what Nathan Cohen, of the Toronto Star, described as "the vision and sense of commitment to acknowledge that his duty extended to the promotion and fostering of his country's artistic resources".

Our own Canadian history shows that cultural expansion and more frequent cultural contacts will not come about by themselves. The experience of other countries, with the possible exception of the foundation-studded United States, confirms our own. This is why I am convinced that our cultural life needs both protection against impoverishment and stimulus to improvement, and that a deliberate effort to these ends, in which government must have a large role, is not only justified but is most urgently required.

Cultural Responsibility of Government

Government must ensure Canadian ownership and control over our means of communication; it must strengthen our existing national cultural institutions, like the National Gallery, and establish new ones; it must offer greater financial assistance to our private cultural sector. But while the Government must play a greater and more systematic role in these matters, its responsibility is not, and should not be, exclusive. Private interests must help.

To arrive at our desired cultural goals, however, I believe we should not seek merely more Canadian content, but better content, and especially better Canadian content - including better Canadian "escapist entertainment". Our objective should not be cultural isolation from the United States, just as it should not be English-Canadian cultural isolation from French Canada and vice versa. Rather, our goal should be the communicating of cultural values for the national benefit, in the manner described by Professor Underhill.

A New Agora

Broadcasting, especially television, with its tremendous electric ability to inform, to entertain and to educate, can do much to enrich our cultural life and to promote more internal and international cultural contacts. Along with other electric inventions, broadcasting has partly destroyed the personal isolation of the typographic society in which men lived after the invention of the printing press; broadcasting has created a new kind of communal Agora or market place where we can meet, get to know each other, exchange opinions and try to arrive at common values. In short, radio and television can provide an audaciously effective means of communication, not just for our intellectuals and our artists, but for people of every kind in our society; and therefore, provide all of us a better, more exciting life.

Our lack of cultural development is, of course, a collective responsibility and Canadian broadcasters must take a share of that responsibility. Canadian broadcasters certainly have made an ever increasing contribution to our cultural needs (and here I laud private broadcasters for their decision to participate actively and without charge in the preparations for the centennial of our Canadian Confederation), but I think broadcasters can do much more, especially for our performing arts, which are in an almost desperate situation.

It is likely, however, that Canadian broadcasters can do this only if they are certain about their roles, purposes and powers and the regulations governing them.

I am sure many here will agree that several problems and questions involving both public and private broadcasting in Canada must be solved and answered before Canadian broadcasters can properly and fully perform their part in this great national cultural undertaking.

Regulations Unclear

Probably the major problem for broadcasters is the lack of clarity and the shortcomings of the Broadcasting Act of 1958. Unfortunately the Broadcasting Act did not solve what Albert A. Shea, in his book "Broadcasting the Canadian Way" called "the one basic issue... to which all others are related: what are the aims and purposes of broadcasting in Canada and how can broadcasting best be organized to achieve these objectives".

Dr. Andrew Stewart, Chairman of the Board of Broadcast Governors, has publicly told of the Board's distress at this lack of clarity in the Act and the resulting confusion and conflict in its other provisions.

Hence, confusion exists about the aims and roles of public and private broadcasting in Canada, about the relations between the CBC and private broadcasting, about the powers of the CBC and the BBG, and about the extension of television broadcasting.

Jurisdictional Uncertainty

On the question of the Board's authority, for instance, certain clauses of Part I of the Broadcasting Act can be interpreted to mean that the BBG has complete jurisdiction over all Canadian broadcasting, but other clauses in Part II can be construed to mean that the CBC is independent of the BBG in certain instances. By its vagueness, then, the Act has set up potential conflicts between the CBC and the BBG, both organizations apparently operating from different, necessarily self-defined, premises. The Grey Cup issue was a notable example of this confused and difficult situation.

Similarly, Dr. Stewart - quite rightly I think - has alluded to the fuzziness of the Act about the extension of television service in Canada. This, too, has caused certain disagreements, because the CBC apparently feels that it should decide, with the concurrence of the Governor in Council, what stations it can establish, while the BBG is not at all certain that this is a correct interpretation of the Act.

Should the CBC have first call on all TV station applications? Should it have its own stations across the country or should it depend partly upon affiliates? In other words, should the CBC in future work towards a BBC-type system of station ownership, as tentatively suggested by Mr. Ouimet, or should the CBC system be different to fit a different Canadian situation? More generally, should there be statutory conditions under which TV stations can be established by public or private broadcasters? These questions must have answers and the answers obviously depend upon what kind of Canadian broadcasting system is desired - single, dual or mixed.

Special Problems of CBC

Apart from these general questions and problems raised by the uncertainty of the Broadcasting Act, there are related subjects pertaining specifically to the CBC. The structural organization of the CBC is one of them. The Glassco Commission made some general comments about the structural organization of the CBC and, if the Glassco inferences are well founded, important changes must be made in the Corporation. At the moment, the CBC itself has a small "Glassco Committee" studying CBC structures. Undoubtedly it would be useful to make serious appraisal of the findings of that CBC Committee when they are ready.

The Government also feels that there should be a 'serious look at the whole CBC financing picture, both short-term and long-term. It is of interest to note in this connection that the CBC budget in 1950, before the coming of television, was \$10 million and that in 1963 the CBC budget was \$110 million.

Included in a study of CBC financing, of course, is the subject of advertising and its ramifications in terms of Canadian broadcasting, public and private.

Also involved in CBC financing are the costs of CBC consolidation projects like those contemplated for Montreal and Toronto. In turn, these consolidation projects may influence the future development of Canadian private producers and technical facilities whose general role vis-à-vis the CBC merits serious study and consideration. The Glassco Commission had something to say about this last item, but again its remarks were rather general.

Re-broadcasting and Pay-TV

I think many of you here will agree that television re-broadcasting stations and pay-TV (excluding community antenna television systems) are raising or may soon raise, special and complicated problems. The President of the CBC, Mr. Ouimet, suggested in the 1962-63 CBC annual report, that some re-broadcasting stations were being established for purposes different from their original objectives, that in effect they might form regional networks, and that they could block the future establishment of full broadcasting stations.

As for pay-TV, though not yet established firmly as a commercial television system in the home, it has been making strides into the cinemas.

as many Ontario hockey fans know very well. And, after the Etobicoke and Hartford experiments, pay-TV is about to get a full trial in California beginning July 1.

As Mr. Ouimet has suggested, TV re-broadcasting stations and pay-TV require study before situations develop in Canada which may or may not be in the best interests of Canadian broadcasting and the Canadian public.

Last year, my predecessor, Mr. Pickersgill, asked three gentlemen - Dr. Stewart, Chairman of the BBG, Mr. Ouimet, President of the CBC and Mr. Jamieson, the President of the Canadian Association of Broadcasters - to consider some of the problems and questions I have cited here. I am told that the Troika, as these gentlemen are more popularly nicknamed, have almost finished their work, envisaged by my predecessor as "an essential first step to a new definition of public policy in the field of broadcasting" and as preliminary to a public inquiry.

With this in mind, and wishing to end the uncertainties in Canadian broadcasting, the Government now feels the time has come to provide for an inquiry into these matters through a committee on broadcasting to be set up by the Government.

The Government hopes to be in a position to make a more detailed announcement about this broadcasting committee in the very near future.

Role of Television

No doubt the purpose of television is to entertain, to educate and inform. That is, it must fill an important cultural purpose. It can contribute greatly to the development of our intellectual life by helping our artists and our cultural associations. It can also make culture more accessible to the general public. To the extent that television fulfils its cultural task and takes into account our two cultures, it will become a living and daily testimony of Canadian identity and a powerful element of understanding and of unity in our country.

But I think till now Canadian broadcasting, Canadian television in particular, has not adequately played its essential role. In part this explains why we have cultural poverty in Canada and why we fear foreign cultural domination - why we Canadians know each other so little and why we suffer present tensions.

I hope that this situation will change very soon. I believe it will. To this end, the Government, by deciding to establish the broadcasting committee, wishes to play its part in helping broadcasters to play theirs. Indeed in all fields, whenever and wherever possible and appropriate, the Government intends to actively promote Canadian culture in all its variety.

This endeavour calls out for your help and the help of many other Canadians. And so, to paraphrase a now famous dictum, let us make war on cultural poverty in Canada. Let all Canadians make this their common cause and their common campaign: not to fetter the spirit but to free it; not to

order men's thoughts for a selfish and narrow purpose but to arouse them for an individual and common good; not to excite tensions but to relax them; not to foster discord in adversity but to fashion harmony in diversity. This war on cultural poverty is a great task worthy of all Canadians --- a task to provide for the enrichment and advancement of our people and of our nation.

I say all this as a Canadian and as a politician concerned with what Matthew Arnold described 100 years ago as "the true and noble science of politics". A "true and noble science" because politics negotiates the problem of how man is to live not in isolation but in society. "Of Man in Society", said Matthew Arnold, "the capital need is that the whole body of society should come to live a life worthy of being called human, and corresponding to Man's aspirations and powers. This, the humanization of Man in society, is civilization. The aim for all of us is to promote it and to promote it is above all the aim for the true politician."

Such, I hope, is the aim of all of us assembled here this day.

s/c



Gar Doe
can
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/10

Notes for a Speech by the Secretary of State
for External Affairs, the Honourable Paul Martin,
to the Twenty-fifth American Assembly, Arden House,
Harriman, New York, April 23, 1964.

It is both an honour and a privilege for me to be here at Arden House today, and to have this opportunity of speaking at the opening of the Twenty-fifth American Assembly. Since its establishment in 1950, the American Assembly has made a distinguished contribution to our knowledge about many of the vital public issues of our time. The seminars which have been convened and the books which have been published have been of high standard. I have had an opportunity of reading the papers prepared for this Assembly and their impressive scholarship is certainly in the high traditions of the American Assembly.

You have chosen an opportune moment to study the Canadian-U.S. relationship. It was just one year ago next month that Prime Minister Pearson and the late President Kennedy met at Hyannis Port. That historic meeting managed to establish a rapport and create a spirit which served to revitalize and restrengthen our whole relationship, and the stimulus and the dialogue which began at Hyannis Port has been carried forward under President Johnson.

Notwithstanding our many problems, I believe that today the relationship between Canada and the United States possesses a greater sense of maturity and a broader sense of perspective than ever before.

We have cause to be deeply thankful for this, because today our two nations are confronted, both bilaterally and internationally, with a vast range of problems and opportunities, which will severely test not only our maturity and our perspectives but also our capacities, our ideals and our endurance.

In 1964 we are commemorating in Canada the hundredth anniversary of the first conference which led towards Confederation. Throughout this long period there has been a series of changes in the nature of Canadian-U.S. relations. At one time there was consideration of the prospects for free trade between Canada and the United States. At other times there have been bouts of protectionism. There have been sharp swings in public sentiment in Canada and the United States about each other.

Administrative Co-operation

To keep these vicissitudes within tolerable limits and to turn their positive aspects to mutual advantage, it was not unnatural that we should first look to administrative means. Beginning with the International Waterways Commission of 1905, there has been a series of mutually-useful joint governmental bodies created to consider Canadian-U.S. differences. The International Joint Commission, with its unique bi-national jurisdiction, is an excellent example of the way in which Canada and the United States can establish a framework for negotiating difficult technical and highly-charged issues. The Permanent Joint Board on Defence, the U.S.-Canada Ministerial Committees on Defence and on Trade and Economic Affairs and the inter-parliamentary organizations are amongst the most successful of the recent means we have used to organize our joint efforts.

We should not, however, allow this history to lead us to assume that reliance on administrative machinery alone can solve our problems in the complex world of the mid-twentieth century. The fabric of our relationship today is made up of an infinite range and variety of interests. From complex economic and trade matters, to fundamental considerations of defence, to cultural and sociological similarities, to problems regarding resources and energy and national development, and to still others having to do with the manifold problems of the world in which we live today -- never in history can there have been two nations who shared more common interests or who were obliged to grapple with more common problems.

Some Friction Inevitable

Yet we each have our own national interests and our own special preoccupations and it is inevitable that the increasing complexities of our inter-relationship will cause some difficulties for both of us. Because of the extent to which our economies, our societies, and our daily personal lives are intertwined, a great many problems are bound to be a permanent feature of our relationship and a certain amount of friction unavoidable. To keep that friction to a minimum, our two countries must talk and negotiate and communicate with one another on a great many issues continuously and at a variety of levels. We must continue to do so with that traditional candour which is the essence of our unique relationship. If frank dialogue should ever cease and we should begin to deal across the border at arms length, then -- and only then -- would there be cause for real concern.

Let me now suggest to you some of the areas in which I believe that this new maturity in our relationship and our broader perspectives are going to allow our two nations to solve some very complex and very difficult problems.

In the economic sphere, the essentials of our interdependence are not difficult to summarize. Most people are aware that the United States takes nearly 60 per cent of Canada's total exports and provides 70 per cent of all our imports. It is not so widely known that Canada is the largest individual market for the United States (20 per cent of total U.S. exports of goods and services) and the main source of the imports needed by the

U.S. economy (one-fifth of U.S. requirements for industrial raw materials and manufactured goods). It might be possible to document statistically how much we depend on each other in purely economic terms and, generally speaking, how advantageous for both countries these connections are. Yet the differences of population and industrial power between us and the intimacy of our trade and economic links have created severe problems. Our accumulated deficits over the last ten years amount to \$10 billion, or an average of \$1 billion annually. In terms of the respective wealth-creating capabilities of our two countries, this would be comparable to an annual current deficit of about \$15 billion for the United States. Clearly, we cannot continue to go into debt at this rate, and we are seeking in various ways to bring our accounts into better balance.

Recently we have developed a plan with regard to the automobile industry which we believe will be a positive and constructive answer to one of our major economic problems, the solution to which will be in United States as well as Canadian interests. I would emphasize that the measures which have been introduced have been aimed at the reduction of tariff barriers and look towards the expansion and not the restriction of the two-way trade between our countries. I am sure, therefore, that you will appreciate the importance of this step over the long term for both Canadian and United States interests.

Recent and Pending Agreements

We have recently concluded agreements between our two nations for the joint development of the Columbia River basin. This achievement is an excellent example of the constructive use of the resources of a great river for the benefit of both our peoples.

This month we are beginning discussions towards the achievement of a new air agreement between Canada and the United States. Professor J.K. Galbraith, a Canadian-American, has, after extensive discussions in Ottawa and Washington, prepared a study which provides a good basis for a new agreement. We expect that the result of the discussions soon to open in Washington will be more convenience for the travelling public and more economic operations for the airlines of the two countries.

Study of Principles

One of the most recent developments has been the decision to consider preparing a statement of principles which might provide practical guide lines for the relations between Canada and the United States. The communiqué issued following President Johnson's and Prime Minister Pearson's meeting of January this year said:

".... the Prime Minister and the President discussed at some length the practicability and desirability of working out acceptable principles which would make it easier to avoid divergences in economic and other policies of interest to each other. They appreciated that any such principles would have to take full account of the interests of other countries and of existing international agreements. The President and the Prime Minister considered that it would be worthwhile

to have the possibilities examined. Accordingly, they are arranging to establish a working group, at a senior level, to study the matter ..."

This group consists of Livingstone T. Merchant and A.D.P. Heeney, formerly Ambassadors of the United States and of Canada in our respective capitals. They have been examining the feasibility of the undertaking. On a practical basis and in the light of experience gained in actual cases, a framework of understanding may prove feasible, but no rules or principles can ever be a substitute for the will to co-operate that is required on the specific problems with which Canada and the United States are faced. Any measure which will help to prevent divergences and reduce the misunderstanding resulting from those divergences which do become necessary will make an exceedingly valuable contribution to the history of Canadian-U.S. relations.

Mingling Two Traditions

The successes in our relationship owe their origin to its flexible character. Americans are accustomed to a codified constitutional approach which has not only been highly successful in the United States but has also been a source of inspiration to the world community. Although we too have a written constitution Canadians are more accustomed to convention and precedent and to evolutionary processes, a combination which has proved to be particularly suitable throughout Canadian history in relation to our political system. There are advantages to both traditions. The strength of the North American partnership must be to incorporate the particular values of each.

The maintenance of good relations between Canada and the United States will depend in the long run less on administrative devices than on the ease with which our respective governments can discuss, and agree, and, when necessary, agree to disagree.

Recognition of Unique Partnership

One evidence of the increasing maturity in our relationship is that we are both beginning to adopt broader perspectives. We are coming to recognize to an increasing extent that not only do we have a unique partnership on this continent but that, on the larger international scene, we are also partners, although partners in a different sense. The United States as a great power and Canada as a middle power together share the same basic goals regarding the orderly development of a secure and peaceful international community. Yet the burden does not fall equally upon us, for the United States bears the awful responsibility of world leadership. Its military might, its wisdom in negotiation, its generosity to the less fortunate, will in large measure determine the kind of world we can expect to see emerging in the remainder of this century. Canadians recognize the weight of the burden which U.S. has borne with a high sense of responsibility and capacity, particularly in recent years. Within the limits of our resources and within the framework of alliances and organizations of which we are both members, Canada is sharing some of these burdens.

But there is one role we as a middle power can play, which you, or any great power, on the whole cannot, and which is assuming growing significance in the preservation of peace and stability. I refer to international peace keeping.

As result of the paralysis of the Security Council, unfortunately for obvious political reasons a feature of United Nations history almost since its inception, it has not been possible for the great powers, including the United States, to assume collectively responsibility for the maintenance of peace and security as envisaged by the authors of the Charter of the United Nations.

Peace Role of Middle Powers

In a parallel development, we have seen military technology place in the hands of the great powers destructive power of such unprecedented might that it has become a primary objective to prevent great-power involvement in the many regional disputes which have been an inevitable consequence of the social, political and economic upheavals of the post-war period. The combination of these two factors has had the effect of elevating international peace keeping of an ad hoc nature to one of the imperatives of our time. It is a responsibility which has devolved mainly on the more responsible middle powers, usually acting under the auspices of the United Nations. It has led Canada into active participation in virtually every United Nations peace-keeping operation, and today our armed forces are serving in Kashmir, Indochina, Palestine, Gaza, the Congo, Yemen and, most recently, Cyprus. It has been demonstrated that countries such as Canada are able to make quite disproportionate contributions to peace and security in relation to their population and wealth.

Because it is a requirement which will have to be met until the permanent members of the Security Council can co-operate in discharging the functions envisaged for them in the Charter, we intend to do everything within our means to assist in the development of more effective arrangements for this kind of international activity. As we played our part in the United Nations Force in the latest peace-keeping venture in Cyprus, we never lost sight of the objective of strengthening the United Nations peace-keeping capacity. I am sure that this is a goal upon which there is complete agreement between Canada and the United States. The United States has a proud record of assistance in the preservation of the peace but, by reason of the difference in our international responsibilities, it is another kind of record from our own. I believe it is clear that the efforts of Canada and the United States in helping to preserve world peace have been complementary.

Parallel with the growth of a distinctive Canadian role in peace keeping, there have of course been many occasions when Canada joined with other countries to perform a task of conciliation in a given international crisis. We are moving into a more active phase in the conduct of foreign policy where there may be differences of emphasis and of timing between Canadian and U.S. policies. In the long run, as most Americans recognize, an individual Canadian foreign policy, based on a fundamental unity of purpose with the United States, makes a contribution to the conduct of international affairs from which the United States and the world community

at large will draw advantage. This is particularly true at the present juncture, when the world is in an important transitional stage, and the validity of the many policies may require adjustment.

With greater maturity and with higher perspectives, I believe that the future offers unlimited possibilities for our relationship. We are among the most fortunate people in the long history of mankind. We are blessed with rich natural resources, with sound education processes and above all we have the rich and priceless heritage of our democratic beliefs. By utilizing these assets, by recognizing the immense opportunities of the future and by being steadfast in our adherence to the great values which we share, we will go forth together to meet and to master the challenges which lie ahead.

S/C



CANADA

Go. Doc
Cov
E

CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/11

Text of a speech made by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Ottawa Branch of the United Nations Association, at the International House, Ottawa, May 4, 1964.

I am grateful for this opportunity to discuss the Cyprus problem with the Ottawa Branch of the United Nations Association. There have been some misconceptions of the reasons for Canadian participation in the United Nations peace-keeping operation in Cyprus, and some misunderstandings of what the Canadian contingent is expected to do on that island. Consequently I welcome this opportunity to explain the situation, particularly because comment on our participation, on the actions of our troops and on the performance of the United Nations in Cyprus should be constructive if it is to serve the objective we all seek -- the restoration of order and tranquillity in that island and the maintenance of international peace.

The reasons for Canadian participation in the Cyprus peace-keeping operation may be summarized as follows:

- (a) The urgent need for international co-operation to preserve peace in Cyprus had become increasingly evident in the months and weeks preceding the United Nations Security Council resolution of March 4, 1964. The need for leadership in constituting a peace-keeping force became urgent in the days just before the Canadian decision of March 13, 1964, to contribute.
- (b) The future of the United Nations was at stake, because, if the world organization had not fulfilled its purpose and acted to maintain peace and security in Cyprus, confidence in the United Nations would have been seriously undermined.
- (c) Our participation in NATO obligates us to do our utmost to prevent conflict between Greece and Turkey and exposure of the Eastern flank of the alliance.
- (d) Cyprus and Britain are members of the Commonwealth, and we could not ignore the difficulties in which they had become involved.
- (e) The suffering of the people of Cyprus - the victims of tragic inter-cine strife that threatened to engulf the island - demanded the attention of all who believe in human decency and dignity.

Lesson of Two Wars

In two World Wars Canadians have learned at great cost -- and our Governor General very recently drew attention to that cost in terms of the gaps in our contemporary society -- that we cannot live in isolation. Canada's own security and vital interests are affected by conflict in any part of the world; hostilities, even of a small or limited nature, can easily escalate into catastrophic international conflict unless effective action is taken immediately to prevent, to confine or to limit them. The price of peace is constant vigilance and willingness to make sacrifices for its preservation.

As the situation in Cyprus evolved during the early part of this year, it became increasingly evident that, if international peace and security was to be preserved, international intervention on the island would be necessary. Finally, the Security Council of the United Nations recommended the establishment of a peace-keeping force for a period of three months "in the interests of preserving international peace and security, to use its best efforts to prevent a recurrence of fighting, and, as necessary, to contribute to the maintenance and restoration of law and order and a return to normal conditions".

It soon became apparent that, unless the peace-keeping force could be established quickly in Cyprus, intervention by outside countries might occur and it would be difficult or impossible to control the consequences. The possibility of outside intervention had become imminent by March 13.

Unfortunately, however, there was no rush to the colours, to the blue and white of the United Nations, and some of the reasons for this were obvious -- the great powers, other than Britain, which was already involved as one of the treaty guarantors, could not participate. Some United Nations member nations were precluded from assisting because their armed forces were urgently required for their own self-defence, and some of the smaller nations lacked financial or military resources. Many members were unable to contribute because their armed forces were not adequately trained and equipped for the task.

Canada Shows the Way

Fortunately, Canada was prepared -- in every sense of that word -- to provide the necessary leadership. Canadians have demonstrated, by their support of peace-keeping action in Kashmir, Laos, Cambodia, Vietnam, Yemen, the United Nations Emergency Force in Gaza, in the Congo, and now in Cyprus, their conviction that the United Nations must not fail in its vital peace-keeping function and their determination that Canada shall play its full part in these endeavours.

Canada was also conscious of other international obligations in the defence of freedom. NATO is one of the essential elements in that defence and we recognized the dangers to alliance solidarity of disunity, and of continuing instability in the Eastern Mediterranean. I would like to stress that peace-keeping activities under the United Nations complement the stabilizing influence of NATO in a host of areas where a military alliance cannot operate.

Canada is also devoted to the future of the Commonwealth, a unique interracial and intercontinental concept in which we have invested great hopes for the future. One of the characteristics of the Commonwealth relationship has always been that its members, without any binding commitment to do so, have been disposed to help each other in times of trouble. In this case two Commonwealth countries are involved.

I hope that Canadians will never be indifferent or insensitive to the sufferings of peoples, no matter how remote geographically the situation may be from Canada.

Cyprus is a country of great beauty, but it has had a turbulent and dramatic history. In his poem, Lawrence Durrell described the island as:

"an island of bitter lemons where the dry grass underfoot
tortures memory"

Cyprus is a country of contrasts -- of forests and gardens, of desert and ruins, of gaiety and tragedy, of blue skies and seas, and, I regret to say, of black hatred. Somehow the two communities that live there must be brought to realize that their future lies in working and living together in peace, with tolerance and mutual respect.

The United Nations Force has now been in Cyprus for just under a month and the mediator is searching for a long-term solution to the problem of maintaining real tranquillity. This work has just begun and in dealing with the difficulties and differences over the best means of conducting the United Nations operation we must not lose sight of the disaster that might have devolved if the United Nations had not come forward in time of crisis.

Other Reasons for Canadian Lead

It is very important to note some of the other reasons why Canada was able to provide leadership in the United Nations at the time of the Cyprus crisis. For a number of years now, Canada has maintained on stand-by duty a battalion for possible service under the United Nations specially trained for peace-keeping duties, and this enabled us to respond quickly to the Secretary-General's request. Only a few other governments have made similar advance preparations. We hope that many more will do so, and we are urging that positive steps in this direction be taken in the immediate future to assist the United Nations in the fulfilment of its peace-keeping role.

In the Cyprus operation, Britain, Sweden, Ireland, Finland and Canada are contributing contingents to the Peace-Keeping Force. Australia and New Zealand are providing policemen to help prevent incidents. Austria has provided police and a hospital unit. A number of other countries are contemplating contributions, and 19 nations have so far pledged \$5.4 million to the cost of the operation. We are urging that the Force be internationalized to the greatest extent possible.

The Canadian Government's decision to contribute to the United Nations Peace-keeping Force in Cyprus had the full support of Parliament, and was approved by Parliament. We realized from the very beginning that this would be a challenging assignment for Canadian troops. Indeed, during the debate in the House of Commons on March 13, our Prime Minister said that it might well be the most difficult which the United Nations had yet accepted, and Mr. T.C. Douglas reminded the House that the Canadian people ought to have no illusions about the "hazardous, thankless and discouraging task" which was being undertaken.

Canadians can be very proud of the Royal 22nd Regiment and the Royal Canadian Dragoons who are serving in Cyprus. Our officers and men serving under the United Nations insignia in exceedingly demanding circumstances are bringing great credit to their country through their ability to act with just the right mixture of firmness and restraint.

Supporting Mediator

We must ensure that, by our actions in Canada and by our public statements, we are helping and not hindering the United Nations in the performance of its activities in Cyprus. The mediator, Mr. Sakari Tuomioja, has an extremely complicated task to perform. He is using his best endeavours with the representatives of the Cypriot communities and with the four governments directly concerned to promote "a peaceful solution and an agreed settlement of the problem concerning Cyprus, in accordance with the Charter of the United Nations".

Fundamental to the solution of the Cyprus dispute is the restoration of normal inter-communal life on the island. We are attempting to further this end in two main ways: first, by the counsel we are offering to the leaders of the two communities in Cyprus and secondly by our contribution of Canadian soldiers to the United Nations Force who are themselves acting as conciliators at the local level.

All parties to the dispute must recognize that Canada has no special interest to pursue in Cyprus. As I said in the House of Commons on April 6, impartiality is the essence of the United Nations Force in Cyprus. We should not say or do anything at any time which could be construed as favouring one side or the other and thus make the role of our contingent more difficult or add to the delicate responsibilities now being undertaken by the mediator.

The Secretary-General of the United Nations announced on April 29 new steps for increasing the effectiveness of the United Nations Force on Cyprus so as to avoid if possible further outbreaks and improve the prospects of a settlement. The Canadian contingent plays an important part in these plans. In his latest report to the Security Council, the Secretary-General says in part:

"In situations as complex as that now prevailing in Cyprus, the worst enemies are suspicion, fear and lack of confidence, breeding, as they so often do, hatred and violence. I believe that it may be useful, therefore, to make public at this particular time a programme of reasonable objectives which all parties should readily find it possible to support. I earnestly hope that on the basis of the

practical goals set forth in this programme, Cyprus, with the assistance of UNFICYP, may be able to move significantly toward peace and normality."

Conclusion

No one who is at all familiar with the situation in Cyprus has any doubt of the problems which lie ahead. We will inevitably face added difficulties, but the nations of the world had no responsible alternative except that of supporting the United Nations in yet another peace-keeping endeavour.

I can assure you that the active peace-keeping role of our troops in Cyprus will receive the strong support that it deserves from the Government and people of Canada. We are in daily communication with the United Nations in New York and the United Nations Force Commander in Cyprus through our Permanent Representative to the UN and our High Commissioner in Nicosia. We are taking every opportunity to make constructive suggestions to the United Nations.

One of the suggestions which we are now supporting strongly is that there be a high-level meeting between representatives of the Governments of Greece and Turkey at the earliest possible date. It seems to us desirable -- even essential -- that this meeting should take place in order to remove dangers of miscalculation or misunderstanding and to try to find some path out of the dark despair into which this unhappy situation might otherwise deteriorate. Such a meeting would not necessarily solve the Cyprus problem, but it might serve to avert the further involvement of other governments.

I know we can count on a continuation of the sober and realistic support which the Canadian people have given to the Government in connection with the task on which our Canadian troops have embarked in Cyprus. I am grateful for the understanding and sympathy with which the difficulties the UN faces are being received. I can assure you of the Government's determination to do everything in its power to help in bringing about a return to peaceful conditions in this troubled area. There is no other course open to men and nations of goodwill if we are to be true to ourselves, our country and the international community.

s/c



CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/12

KEEPING THE PEACE

Lecture by the Right Honourable Lester B. Pearson,
Prime Minister of Canada, in the Dag Hammarskjold
Memorial Series, at Carleton University, Ottawa,
May 7, 1964.

When I received the invitation to speak in this Dag Hammarskjold Memorial Series of lectures, I considered it a privilege to be included among those close collaborators and friends of the late Secretary-General who would be paying tribute to his memory, and to his work, in this way. It is most fitting that in Canada this lecture should be given at Carleton University, from which Dag Hammarskjold received the first honorary degree given by this university and the first offered to him by any Canadian university.

I have chosen the subject "Keeping the Peace" because Mr. Hammarskjold gave so much of himself to the task of developing the peace-keeping work of the United Nations. Indeed, he was on active service for peace when his life so tragically and so prematurely ended.

Dag Hammarskjold died, as he would have wished, in the service both of peace and the United Nations. I had the privilege of knowing him well and of working with him at the United Nations during some difficult years. I admired and respected the high character of the man and the great qualities of the statesman. He was tireless and selfless and wise. He was as sure and as resolute in carrying out instructions from the United Nations for international action in the cause of peace as he was skilful and objective in seeking to establish a basis for that action in the Charter.

His life was a triumph of service and achievement and his passing at the very height of his career was a tragic loss. His death must continue to inspire us all to do what we can to secure the triumph of the cause for which he died, peace and security in the world, through the United Nations.

At a press conference early in 1959, Dag Hammarskjold said this: "The basic policy line for this organization is that the United Nations simply must respond to those demands which may be made of it. If we feel that those demands go beyond the present capacity, that in itself, from my point of view, is not a reason why the organization should refuse to respond, because I do not know the exact capacity of this machine. It did take the very steep hill of Suez; it may take other and even steeper hills. I would not object beforehand unless I could say, and had to say in all sincerity, that I knew what was asked

of the United Nations could not be done. So far, I am not aware of any question which has been raised which would cause me to give a negative or discouraging reply. For that reason, my policy attitude remains that the United Nations should respond and should have confidence in its strength and capacity to respond."

In this lecture, I am concerned with ways and means of increasing that "strength and capacity to respond".

To this end I wish to review developments in the field of United Nations peace-keeping in order to illustrate the various demands which have been made of the organization and its response to them. I hope, as well, to suggest ways in which the capacity to respond can be strengthened, as it must be strengthened, if the United Nations is to fulfill its primary purpose of maintaining peace and security in future.

Intervention for War

As the nineteenth century came to an end, governments were beginning to think about international organization to prevent war. But, in the main, they continued to rely for security on their own power, supplemented by military alliances which had replaced Metternich's earlier "Concert of Europe". Like the little old lady in Punch of 1914, they consoled themselves with the thought that, if threats to the peace occurred, such as the assassination of an Archduke in a Serbian town, "the powers are sure to intervene". After the shot at Sarejevo they did so - against each other and for national ends. The war to end war was on.

After World War I, experts on international affairs debated whether it could happen again. They hoped that it could be avoided by strengthening collective security. They looked to the new League of Nations for this. But most governments still showed a preference for arms and military pacts. When collective security and sanctions under the Covenant were advocated, it was primarily with a view to possible use against Germany. Later, in Italy's attacks on Ethiopia, the League rejected effective international action for peace. In consequence, we lost the race with rearmament, while Hitler and Mussolini scorned the treaties intended to maintain the balance of power. "Intervention", a dirty word in the case of Ethiopia, Spain and Czechoslovakia, became a necessity in Poland. Peace in our time dissolved in the global devastation of the Second World War.

Again there was a kind of peace, this time soon followed by "cold war", which had become so intense by the fifties that great-power deadlock was in danger of destroying or rendering impotent the improved League which we now called the United Nations. Yet the world organization, in spite of limitations, and with varying success tried to keep the peace on the periphery of potential war - in Greece and Kashmir, in Palestine and Indonesia. Its method was one of persuasion and "watchdog" presence. It seemed a frail basis for collective security in the face of Soviet aggressiveness - and in the shadow of The Bomb.

Since the main Communist challenge at that time was in Europe, the North Atlantic states responded to the weakness of the United Nations by exercising their right of collective self-defence under the Charter. They formed

NATO to ward off the threat of military attack in the treaty area and, in essence, to safeguard peace by deterring aggression. NATO was not an alternative to the United Nations but a practical and regional means of cementing cracks which had appeared in the Charter security system.

In some ways, the situation in 1950 was unpleasantly like that of 1935. The international peace-keeping machinery was virtually stalled; the powers were once more turning to defence pacts. Tension in Europe remained explosive. A single incident from this tension could, and more than once almost did, result in general disaster.

But the flash of fighting actually occurred on a distant horizon - in Korea. This was no mere incident with possible alarming repercussions. This was an armed aggression, carefully calculated and prepared, and bolstered by the conventional military weapons of the Communist arsenal. It was a direct challenge which had to be met squarely by the Western powers if there was to be any hope of containing Communist military expansion. They were able to use the United Nations for this purpose because, luckily, the Russians stayed away from the Security Council when the Korean resolution was passed. It was an absence not likely to be repeated.

If the great powers had intervened in the manner of earlier times, Korea could have been the spark which ignited nuclear world war. Instead, the conflict was localized by improvising a collective response from the United Nations, by carefully defining the objectives of the United Nations military action and by making effective but limited use of United States military strength. In his thoughtful lecture in this series, Mr. Adlai Stevenson suggested that "perhaps Korea was the end of the road for classical armed aggression against one's next door neighbour". It may also have signified the end of Communist gambling on direct aggression in areas of great-power interest.

Intervention for Peace

In any event, Korea was the beginning of a new development in international affairs - the deployment of armed military force under the control and the flag of the United Nations. At San Francisco, this possibility had been provided for in Chapter VII of the Charter. But the international security force of that Chapter - intended to be the strong arm of an effectively functioning Security Council and to include all its permanent members - withered in the angry cold-war debates of the late forties.

With the Security Council "frozen in futility", the General Assembly, under the stimulus of the Korean emergency, took its own action to give sinew to the United Nations peace-keeping arm.

It adopted certain recommendations under the heading "Uniting for Peace", including one to the effect that each member should maintain within its national armed forces elements so trained, organized and equipped that they could promptly be made available for service as a United Nations unit or units upon recommendation by the Security Council or the General Assembly. The same resolution provided for the General Assembly to act on short notice when there was a threat to the peace and the Security Council had failed to act because of the exercise of the veto.

Neither the procedure nor the collective measures proposed were pursued with any vigour in the next few years. The fighting in Korea died down. The wave of that crisis receded and with it the urge to be ready next time. The Soviet bloc was naturally opposed to the "Uniting-for-Peace" resolution and violently denounced it as a violation of the Charter. In any event, East-West tension had eased after the "summit" meeting at Geneva, and the West lost interest in the matter. In short, great-power deadlock destroyed the hope of establishing the United Nations Security Council force envisaged in the Charter. Inertia and wishful thinking, among members generally, postponed any significant action on the 1950 resolution calling for the alternative of stand-by units. The world community was to wait for another crisis.

It came in 1956, mounting with increasing menace in the Middle East. In late October, Israeli armed forces raced to the Suez Canal. Britain and France delivered their ultimatum and moved in. The Soviet Union and later Communist China issued threats. War seemed imminent and the United Nations was called upon to intervene for peace.

The main demand was to end the fighting and bring about the withdrawal of the British and French forces. What was needed to accomplish this was an impartial military force to secure a cease-fire and withdrawal and to supervise a buffer zone, first near the Canal and later along the line dividing Israel and Egypt. Some security had to be restored after the shock of fighting, the humiliation of defeat, and the frustrations of withdrawal. But the United Nations force to be organized for this purpose would do no fighting except in self-defence and would rely mainly on its presence as representing the United Nations to accomplish its aims. "Intervention" by the United Nations was to acquire new meaning.

Problems of Ad Hoc Peace-keeping

The "Uniting-for-Peace" procedure had made it possible for the Assembly to meet in emergency special session to deal with the Suez crisis. It was able quickly to adopt broad directives governing the establishment and functioning of UNEF. But the Secretariat found little on their files concerning collective measures which might give a lead on how to proceed. It was a new course on new ground. Some experience could be drawn from the earlier activities of the military observer groups but no real precedent existed for a major, genuinely United Nations military operation which had to be carried out with speed, efficiency and even daring, if it were to succeed.

The Secretary-General and the participating governments had to start virtually from zero. There was no time for detailed planning, either in New York or in national capitals. An international command staff had to be gathered in the Canal Zone, and an ad hoc team of military advisers assembled overnight in United Nations headquarters. Contingents, selected from the offers made, had to be moved to Palestine within a few days after the adoption of the Assembly resolution.

That UNEF did succeed in its initial tasks can largely be attributed to the ingenuity, skill and energy of Dag Hammarskjöld; to the solid core of support which existed in the Assembly; and to the prompt response of the ten governments which provided the original contingents; finally, to the fact that

the parties directly concerned with the Suez conflict consented to the stationing and functioning of the force in the area.

There were many anxious days in the long weeks from November 1956 to March 1957, when the withdrawal from Egyptian territory was completed and the United Nations force was fully deployed. There was noisy and acrimonious debate. There was also quiet and earnest consultation. At times it looked as though the UNEF experiment might fail, mainly because of political objections but also because of practical difficulties of establishing, organizing and directing an international force which was the first of its kind in history.

A major question for Canada was the nature of its own participation. Our experience was revealing. To support our political initiative in the Assembly, the Government offered to provide a self-contained infantry battalion group. But after these troops had begun to move to the port of embarkation, it emerged that, of some two dozen offers of military assistance to the United Nations, most were infantry units and practically none included the supporting and technical services which the force would need - including an air component. Since the great powers were not participating in the force, Canada was one of a very few countries which was able, because of its military know-how and experience, to provide administrative and logistic specialists. In the end, the Canadian contingent included reconnaissance, transport, maintenance and supply units of the Canadian Army, and an observation and transport squadron of the RCAF. They were sneered at by some in the heat of partisan debate as a typewriter army, but they were indispensable to the success of UNEF. They played, and are still playing, a courageous and essential role.

This last-minute need to re-organize the Canadian contingent was not only a source of political embarrassment but a cause of delay in getting Canadian troops to Palestine. Both could have been avoided if there had been advance United Nations planning for such peace-keeping operations and co-ordinated preparations in the military establishments of the contributing countries.

Similar problems - the political problem of achieving balanced composition and the practical problem of finding qualified units and personnel for maintaining a mixed force - arose when the Congo crisis broke in 1960 and the United Nations was again asked to provide a peace-keeping force. There was no lack of infantry contingents and it was very desirable that the countries of Africa should provide most of them. Technical units and specialists were also needed, however, and national establishments had to be combed for suitable personnel.

The UNEF experience was available because the Secretary-General had produced a very useful study in 1958. But the United Nations faced a very different situation in the Congo and the demands on its military force were much more complicated. Quite apart from the political difficulties, which multiplied as the operation progressed, once again, as in the case of UNEF, there were technical delays and administrative and other difficulties.

Again our own experience can be cited. For both UNEF and ONUC, mainly because of the nature of our participation, it was necessary to organize new Canadian units to form the contingent. This caused some disruption in our

armed services, for specialists had to be drawn from units and formations already committed to other tasks. While the personnel were well trained in their technical duties, they had been taught, as part of their regular training, to think and act as fighting soldiers. In a peace-keeping role, largely passive and supervisory in nature, the troops were called upon to perform unaccustomed and difficult duties, often without clear directions.

I do not wish to leave the impression that the Canadian armed services in both the Suez and the Congo did not respond to United Nations needs with speed, efficiency, tact and inventiveness. The opposite is true. They were magnificent. What I do suggest is that the launching of these two vital peace-keeping operations - from the point of view both of the United Nations and of participating countries - would have been accomplished more easily and effectively if steps had been taken in advance to ensure technical and other forms of preparation for this kind of peace keeping.

Now I am aware that earlier conditions are not likely to be duplicated when the United Nations embarks on a peace-keeping mission. The political circumstances vary; the composition of the force usually has to be adjusted to suit them; the climate and terrain in the area of operations may be quite different.

We also have to recognize that the kind of United Nations presence required may vary greatly from situation to situation. Mr. Hammarskjöld spoke about the "uniqueness of the UNEF setting". He maintained that such a force could not have been deployed in Lebanon or in Jordan in 1958, although there was a need for other forms of United Nations presence on these occasions in which unarmed military observers were able to play a significant part in restoring stability. Similar operations - but with local variations - were carried out more recently in West New Guinea and in Yemen.

The method of operation has to be adapted to each situation. The truce-supervision teams in Kashmir and Palestine investigate complaints about incidents; the observers in Lebanon, moving about in jeeps and helicopters, sought to check the illegal entry of arms and infiltrations. In Gaza, UNEF had been stationed at fixed posts. In the buffer zone and in Sinai it has engaged in mobile reconnaissance on the ground and in the air. In the Congo, the force has occupied key points in the main centres of the country. In some areas, the task has been one of patrolling demilitarized zones; in others, of calming and controlling local populations; and, in still others, of persuading opposing factions to refrain from hostile acts.

The very fact that forces are composed of national contingents with their own military traditions and methods and disciplines adds to the complexity of the operation. Language can be a barrier, and problems of supply a difficulty. The many variations which occur require careful organization, through training and standardization of procedure.

But, in spite of all the difficulties and differences, the shocks and surprises, the United Nations has shown itself capable of brilliant improvisation and has succeeded in making its peace-keeping presence effective. Its record of achievement has been good; all the more so because it was never permitted to be prepared.

Cyprus Dilemma

How can we be complacent about this chronic state of unpreparedness; this necessity of improvising during a crisis when failure could mean war? Today in Cyprus, the United Nations is facing another severe test of its capacity to respond, without preparation, to a challenge to peace. On tomorrow's horizon, there may be other sudden and equally exacting demands. The halting response which the organization made, after the Cyprus issue had been raised in the Security Council, reflected the deep-seated political dilemma which handicaps the United Nations peace-keeping role. It also served to remind us again that the protection of international peace should not be left to preparations made on the brink, to ad hoc arrangements and hasty organization.

Hesitations and difficulties over Cyprus were increased by division among the great powers. But this was a normal situation in the United Nations and outside it. More disturbing was the widespread disinterest or suspicion on the part of many middle and small powers. Some were too preoccupied with national and regional interests, which dulled their sense of danger at tensions smouldering in other parts of the world. Others had grown weary of the burden of international crises, and of finance, which, in recent years, has fallen heavily on the shoulders of a few states. All-pervading also was the suspicion that the Cyprus conflict was just too difficult and too domestic for United Nations treatment. It was too small a local tail to wag such a big international dog.

But, as in the Suez and the Congo, the United Nations, while hesitant and unprepared, did not abandon its peace-keeping responsibilities, thanks to the initiative taken by certain of its members.

So we can take comfort from the fact that in the Cyprus crisis, occurring even before the liquidation of the Congo problem, the Security Council decided to establish a force in that troubled island; that five member governments agreed to provide contingents and ten to make contributions to the voluntary fund for financing the operation; that the force became quickly operational and that a mediator was chosen who took up his difficult assignment without delay.

While this result gives cause for satisfaction, it should not blind us to the need, demonstrated once more, to organize, plan and prepare in advance for prompt United Nations engagement in peace-keeping operations. It has become glaringly apparent that the organization and its individual members must improve their capability to act quickly. I believe that there is a growing resolve to do this, reflecting a conviction that United Nations preparedness in the field of peace keeping falls far short of the urgent demands being made on the organization with increasing frequency.

The requirements of peace preservation in the future may not always be satisfied by skilful improvisation and by the willingness of a few to do their duty. The growing interest in improving peace-keeping methods must be broadly stimulated into advance planning and preparation. Canada, I know, is resolved to draw on its own experience in a way which will give leadership and encouragement in this effort.

Preparedness for Peace-keeping Operations

What can be done, then, to prepare the United Nations for the kind of peace-keeping operations which we have seen in the past and others which we can expect in future? Ideally, the organization should have its own permanent international force in being, under its orders, for peace-keeping duties. But this is not now feasible for political reasons.

As a next best, all member governments should have elements in their armed services earmarked, trained and equipped for United Nations service; ready for call to such service. There should be a military planning staff in United Nations headquarters to co-ordinate the national preparations and to improve the operating procedures of the organization.

It has become apparent in the past ten years, however, that formal action by and in the United Nations to achieve even these limited ends is not immediately feasible because of political and practical difficulties. The most recent occasion when the United Nations showed some disposition to deal with the question of stand-by arrangements was in 1958. Dag Hammarskjöld had made his report on the experience derived from the establishment and functioning of UNEF. A number of countries, including the United States, wished to take action in the General Assembly, based on that report. Political circumstances, however, were not favourable. United States support roused all the worst Soviet suspicions. So the matter was dropped. The report was not even discussed by the Assembly.

The Soviet bloc remained firmly opposed to any international security or peace-keeping force or any plan for such a force. The West were not willing to force the issue. The Arab world had been rocked by disturbances in Lebanon, Jordan and Iraq. Some non-aligned countries, suspicious of Western motives and not wishing to become involved in East-West argument, were unwilling to authorize the United Nations to put force behind international decisions and organize for the purpose. They failed to appreciate that, by strengthening the United Nations capacity to meet threats to the peace, they would be strengthening as well their own security and creating conditions favourable to the economic and social development which they so badly needed.

Since that time - 1958 - there has been some shift in the attitude of member states but not sufficient to ensure the kind of support needed if formal UN stand-by arrangements are to succeed. Nevertheless, the need continues and increases.

A few members have recognized this. Like Canada, they have earmarked units for United Nations service. Following an announcement last year, the Nordic countries - Denmark, Finland, Norway and Sweden - have introduced legislation setting up contingents which are designed for United Nations service and each of which may be used in conjunction with those established in the other Nordic countries.

This is an encouraging development. The Netherlands has followed suit by earmarking troops. There have been indications that other states, representing other geographical areas, have begun to think along those lines.

This is why I proposed recently that, if the United Nations itself remains unable to agree on permanent arrangements for a stand-by peace force, members who believe that stand-by arrangements should be made could discharge their own responsibility, individually and collectively, by organizing such a force for use by the United Nations.

I do not wish to be misunderstood on this point. The stand-by arrangements made by the interested countries, because of existing circumstances in the United Nations, would have to be made outside its constitutional framework. But those arrangements would be squarely within the context of United Nations purposes, within the Charter.

The stand-by contingents which resulted from such an arrangement would not be used unless and until they had been requested by the United Nations to engage in one of its duly-authorized peace-keeping operations. In some situations this stand-by force might not necessarily serve as an entity; only some of its national contingents might be selected to serve. Parts might be used alone or be combined with contingents from other United Nations members not included in the stand-by arrangements. Political requirements would determine its role.

I emphasize this because there has been some disposition to interpret my proposal as an intention to turn away from the United Nations. The whole point of it was to strengthen the capability of the members concerned to serve and support the United Nations.

When I suggested that at first the stand-by arrangements might be confined to half a dozen or so middle powers, I had in mind, of course, the countries which have already earmarked contingents for United Nations service. They would be ready - and willing. Soon, I hope, others would be added until all the continents would be represented.

Co-ordination would be a first requirement. This could be achieved in several ways. The governments concerned could consult closely about the kind of units and personnel which might be needed in future operations. They could perhaps agree to some allocation of responsibility for organizing and training their earmarked contingents. Exchanges of ideas, experience and key personnel could be arranged on a regular basis.

An international staff would be needed to co-ordinate the training and other activities of the earmarked contingents; to analyze and correlate with future needs the experience of past operations; to prepare contingency plans and operating procedures for a variety of situations. No stand-by arrangements would be complete without making provision for such a staff - at least in embryo.

It would be even better if a compact military planning staff could be set up in the office of the Secretary-General, one which could co-operate with the member states who have decided to work together in the United Nations peace-keeping field. It is a matter of some satisfaction that the Secretariat now includes a Military Adviser. He should have a supporting staff to assist him in advising the Secretary-General on the establishment and conduct of military operations. The same staff could be planning ahead for possible peace-keeping missions.

I believe that, if a group of middle and small powers could be persuaded to work together along the lines indicated above, an effective stand-by arrangement could be brought into being.

I do not expect that even the most modest of such arrangements could be accomplished quickly. Nevertheless, the Canadian Government is determined to push ahead toward this goal. We have been considering plans for confidential discussions with certain other governments, primarily of military problems arising out of past and current peace-keeping operations. As a first stage, such discussions would be confined to countries which have taken steps to establish stand-by units for United Nations service. Later they might be extended.

Out of these discussions may come suggestions for improving the United Nations ability to conduct peace-keeping operations and for strengthening and co-ordinating arrangements for national participation in these operations. That is what I intended when I suggested at the eighteenth General Assembly that there should be a "pooling of available resources and the development in a co-ordinated way of trained and equipped collective forces for United Nations Service".

We shall be following up these exploratory talks with a more formal approach to the other governments concerned. We have reason to hope that they share Canadian views on the need to improve on the present improvised and haphazard approach to peace keeping.

My concentration so far on the organization and employment of military force reflects my deep concern about the present operation in Cyprus, as well as a conviction which I have held for many years.

However, just as the United Nations is not the only instrument for keeping the peace in today's world, international military force is not the only peace-keeping United Nations machinery which should be readily available. There remains a growing need for unarmed supervisory teams, for experienced mediators and conciliators. This need should also be planned for.

Arising out of past operations, the United Nations has been able to compile an impressive list of individual soldiers and civilians who have demonstrated their qualification for serving as impartial international servants. Some member governments are aware of the need to keep this list up-to-date and up to strength. They have been proposing additional names to it. They know that there will be more situations requiring the prompt dispatch of observers and mediators ready and able to serve the organization.

In many cases, the functions performed by an international force more closely resemble those of the police than the military. This is especially true in a country experiencing the breakdown of internal order or torn by civil disturbance.

Police training is not usually a part of military training but it should be, under any stand-by arrangement for an international peace force. I would go further. If the United Nations, as such, cannot now organize its own peace-keeping force, it should at least recruit a small professional

international police force specifically trained for such duties as traffic and crowd control, property protection, escort duty and crime investigation. Cyprus is showing the importance of having such a police force to supplement the soldiers.

Mr. Trygve Lie, the first Secretary-General, had this kind of force in mind when he put forth his proposal for a United Nations Guard in 1948. His proposal, like many others at that time, was a casualty of the cold war. But it had great merit then, as it has even greater merit today, in the light of recent experience of the United Nations in the field of peace keeping.

Whatever may be the role of United Nations representatives in the field, it will always call for special qualities, in civilians and soldiers alike. They must make a quick transition from being a loyal citizen of one nationality to being a member of an international team with loyalty to the organization and the Charter.

This means that training for UN service is of particular importance. Such training - military or para-military or civilian - should have a certain uniformity in all countries likely to participate in peace-keeping operations. It should take into account the training requirements of individual units. It should include a substantial content of United Nations philosophy. Personnel of all categories should be educated in the aims and purposes of the United Nations, in its political methods and administrative procedures, in the significance of the peace-keeping role.

This is particularly true for the soldiers of all ranks, who have been trained to be non-political and to owe one allegiance. It is a tribute to the character and discipline of United Nations troops that there have been very few instances in which they have broken the code of international service.

In the tasks of separating armies, supervising truce lines or calming hostile factions, the United Nations soldier will be frequently called upon to exert a mediatory rather than a military influence. He will be required to display unusual self-restraint, often under severe provocation. In many cases, an explosive situation can be brought under control through coolness, good humour and commonsense. And this applies not only to high-ranking officers but to NCO's and other ranks.

Behind this self-restraint and commonsense there must, however, be force. The problem of the use of such force in United Nations peace-keeping operations can be a complicated and difficult business, especially for the commander on the spot. But the basic principles are clear enough and follow logically from the initial premise: that a UN force is a peace force and there is no enemy to be defeated. Therefore, the UN does not mount offensive actions and may never take the initiative in the use of armed force.

This means the use of arms by a United Nations force is permissible only in self-defence and when all peaceful means of persuasion have failed. It is important to appreciate, however, what is involved in this right of self-defence. Thus, when forcible attempts are made to compel UN soldiers to withdraw from positions which they occupy under orders from their commanders,

or to disarm them, or to prevent them from carrying out their responsibilities, UN troops should be and have been authorized to use force.

What can be done in any situation depends on the mandate given the force. It is always open to the Security Council or the General Assembly as the case may be to enlarge this mandate and authorize the use of the necessary amount of force to achieve specified objectives. This was done during the Congo operation as the developing situation required, and with the aim of preventing civil war clashes and apprehending mercenaries. The mandate thus determines the extent to which any UN peace-keeping force can employ arms for the discharge of responsibilities which have been clearly assigned to it.

In this lecture I have put forward some modest proposals whereby the United Nations could be better prepared for keeping the peace. There are, however, two large and related issues which make such proposals difficult to carry out. The first is financial. The second, and more important, is political.

We know that for the past few years the United Nations has been teetering on the edge of bankruptcy. There have been heavy burdens assumed in the Middle East and the Congo. A number of member states -- including two great powers -- with full capacity to pay have failed to assume their share of these burdens and pay their share of the costs. Others have been slow in paying, even when reductions were granted to take into account their relative incapacity to pay.

This is a deplorable, indeed an intolerable, situation for a world organization established to maintain peace and security. It is especially urgent in view of the growing demands for peace-keeping operations, which have demonstrated not only their worth but their cost. The situation is moving toward a climax this year because a number of states, including the Soviet bloc, now have accumulated arrears of payment which make them subject to Article 19 of the Charter, which provides for the loss of vote in the General Assembly. When it next meets, the Assembly will have to deal with this critical situation, which has far-reaching political and financial implications, unless steps have been taken in the meantime by those in default to liquidate their arrears.

Canada is convinced that the principle of collective responsibility is the only sensible basis for financing peace-keeping operations. We believe that Article 19 was intended to provide, and should provide, the sanction for that principle. We do not seek to force this issue but we are ready to face it if the delinquent states are not prepared to join in a search for a constructive solution. The financial dilemma must be solved.

Even more important is the political conflict which underlies finance and everything else. This conflict has made it all the more necessary to re-define the political basis for United Nations action in the field of peace preservation. It has also made such re-definition more difficult to bring about. The powers and function of the Security Council, the General Assembly and the Secretary-General have to be clarified in an agreed manner. In particular, the Security Council needs to reassert its authority in a way which will be effective when the peace is threatened.

To exert its proper influence, the Council should be enlarged to permit a balanced composition in its membership with equitable representation for all geographical areas. It must be made more capable of preserving the peace. For this, its functions may have to be modified to meet the changing situation in the world.

The United Nations must put its house in order so that it can exercise to the full its responsibility for maintaining peace and security. Stand-by arrangements for peace forces and for the other forms of United Nations presence are part of that process. But this does not embrace the whole responsibility for keeping the peace in our nuclear age.

The world organization, as such, plays its part but the individual members cannot escape their own responsibility for maintaining peace, for refraining from the use of force in the pursuit of national policy; for leaving aside short-sighted and debilitating manoeuvring, designed for national, regional, or ideological purposes.

The great powers have a special responsibility in this regard. The Charter gives them a position of privilege but it also imposes a corresponding obligation to co-operate and show the way in preventing war and securing peace; to strive to avoid major clashes among themselves and to keep clear of minor ones.

The middle powers also have their own position of responsibility. They are and will remain the backbone of the collective effort to keep the peace as long as there is fear and suspicion between the great-power blocs. They have a special capacity in this regard which they should be proud to exercise.

Finally, there is the particular responsibility of the parties themselves to a dispute. U Thant, the courageous and worthy successor to the Secretary-Generalship, underlined this in his report to the Security Council last week on Cyprus: "It is the parties themselves who alone can remedy the critical situation of Cyprus. The authorities...must, with a high sense of responsibility, act urgently to bring completely to an end the fighting in Cyprus, if that island is to avoid utter disaster." This meant, he added, a voluntary and immediate renunciation of force as the first essential to finding a peaceful solution of the problems of Cyprus.

The United Nations can and will assist the process of peace making whenever it is given the chance. Its peace forces can restore and have restored the conditions necessary to a peaceful solution of a dispute when they are permitted to operate effectively.

I know that for this purpose and in the long run the political conflicts, and above all the East-West conflict, inside the United Nations must be resolved or at least reduced.

But there is also a growing necessity for planning and preparation so that the machinery for peace making can operate swiftly and effectively even under present conditions and when required.

To this end, we must do what we can now; and hope that we will soon be able to do more.

In this effort Canada has played and I know will continue to play a good and worthy role.

S/C

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

CANADA

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/13

CANADIAN FOREIGN POLICY IN A CHANGING WORLD

Statement to the House of Commons on May 22, 1964,
by the Secretary of State for External Affairs,
the Honourable Paul Martin.

On November 28 last, I made a full statement to the House on Canadian policy concerning a wide range of major international issues. Today I propose to concentrate on the most important developments that have taken place in the meantime in areas of primary concern to our country.

Since last November I have attended a number of important conferences and meetings, including two ministerial meetings of the North Atlantic Council, one in December of last year and one last week, the United Nations Trade and Development Conference in Geneva in March, and a session of the Eighteen-Nation Committee on Disarmament. I also accompanied the Prime Minister on visits to France and the United States in January, and we received here in Ottawa in February the Prime Minister and the Foreign Secretary of the United Kingdom.

Three Main Developments

In one way or another, all these meetings had to do with the three main developments which have characterized the last decade in international affairs, the continuing contest between the Communist and non-Communist worlds in both a military and an economic sense; the changing relationships which are taking place within both the Communist and non-Communist camps, and finally the adjustments which both groupings have been making in their relations within the so-called third world, the less-developed and often non-aligned nations which now comprise more than two-thirds of the United Nations.

These three main tides of development have brought with them such a host of new and unfamiliar problems that there has been an understandable, and perhaps inevitable, tendency to try to deal with them piecemeal and in separate compartments. Yet the obvious interrelationship of these major political trends should convince one that at some stage -- and I do not pretend to know how or when -- the means whereby we are endeavouring to cope with some of the major unresolved problems must be brought together. It is clear to me that, when we in NATO decide on a particular size and structure of defence arrangements to cover a given future period, we must not only consider whether that structure is adequate to ensure our physical security but what impact it will have on what we are simultaneously trying to accomplish in the Disarmament Committee in Geneva, and how it might affect prospects for a settlement of European security problems. Again, when we contemplate the rash of local conflicts which have broken out in the Middle East, Africa and Southeast Asia,

we should not, in our anxiety to contain them, overlook what we are trying to achieve in the United Nations and in the Disarmament Committee by way of more orderly and lasting international peace-keeping machinery. In piecing together the parts of this complex puzzle, I believe we are, during the next months and years, going to have to rethink a great deal of what has been our traditional policy.

Four-Way Relationship

I have just returned from the NATO ministerial meeting in The Hague, followed by a short visit to Germany. Together, these two visits were concerned with most of the fundamental issues in our contemporary international life, our relations with the Communist world or worlds still being the dominant preoccupation. For years, in NATO and in all the Western capitals, we have been speaking rather loosely about East-West relations. I think it is time we admitted that this shorthand phrase is no longer adequate. When we say "East-West relations", we imply that we are thinking in terms of a bipolar world, the Communists and the rest of us. In fact, today there is no longer one Communist world and it is quite misleading to equate "East" with "Communism". It is equally misleading to equate "West" with "the rest of us" or even with "NATO". What is actually happening is a more complicated form of competition than our old terminology suggests, a competition in which the Chinese Communists are making a determined takeover bid for the Communist leadership in Asia and Africa. We must think more of a four-way relationship among the West, the Soviet Communists, the Chinese Communists and the non-aligned countries, instead of the old "East-West" terms.

If there is a pause or a détente in our relations with the Soviet Union, based on what is really a common appreciation, since the Cuban confrontation, of the unacceptability of nuclear warfare -- if this is true, we cannot pass the same verdict on our relations with the other Communist world. For the Chinese, nuclear war is certainly unwanted but not unthinkable. Mao Tse-tung has pointed out that after the First World War there were 200 million Communists and after the second 900 million; so he predicts that, after the third, Communism will take over what remains of the world.

I know that, apart from the Chinese Communist invasions of Tibet and India and the troubles to which they are a party in Southeast Asia, there is no reason to believe that the Chinese Communists would deliberately allow their theories to push them over the brink. Their bark may, as we must hope, be worse than their bite. We have had experience before -- bitter experience -- of mad-men whose theories were explicit and public, but we were too rationalistic to believe that they meant what they said. I am not prone to believe that we face the same situation now, but there are similar dangers. It does not appear at present that the West's détente with Moscow extends to Peking, but we must continue to test the intentions of the Chinese Communists, intentions little affected by Soviet views or aims, by all means at our disposal. In the meantime it would be premature and irresponsible to dismantle our defences, either materially or psychologically, even though for the time being we think that with the Soviet world Western relations are showing some real, though limited, improvement.

This is the first time that, as External Minister, I have tried in this House to analyze our relations with the Communists in this way. When the differences between Moscow and Peking first became apparent, there was a natural reluctance on the part of the West to attach too much importance to them lest the cleavage be short-lived. While this was a prudent reaction at the time, we can now begin to draw a new balance sheet and get away from too exclusive a preoccupation with only one of the Communist giants. They are clearly at odds with each other on national, historical and racial grounds, though as Communists their differences find expression in ideological terminology. These differences, which have been coming into the open for perhaps four years, are obviously not a transient phenomenon.

Change in the Soviet Bloc

It is impossible to say how deep the détente, or the pause, with the Soviet Union will go, or how penetrating it really is. In the meantime, I think it should clearly be our intention to encourage this pause or détente, while remembering that Soviet positions have not changed on most of the central issues which divide us, including the division of Germany, the cruel, special case of Berlin, and the fomenting of unrest throughout the non-Communist world under the guise of liberation. Moreover, as we have recently noted in Ottawa as well as in other parts of the world, Communist efforts to subvert individuals and groups in free countries, and to expand their power and influence by other means than war, have continued unabated despite the détente.

This kind of situation, of course, requires the most careful examination. Each week brings some new evidence that it is possible to modify the word "satellites" in describing the relationship between the Soviet Union and the countries of Eastern Europe. This trend, of course, should not be exaggerated, but it is evident that, apart from foreign policy, and within certain limits, the Eastern European countries are being allowed, much more than ever before, to develop a brand of Communism more in conformity with local conditions and the national characteristics of their peoples. Simultaneously, the process of de-Stalinization has led to a considerable reduction in the physical control over the populations in these countries. Such trends are not easily reversed.

A final element to be kept in mind is that the Communist countries are faced with substantial economic difficulties. Agriculture is clearly inefficient, and the planning and organization techniques of Communist industry are passing through a period of revision. These developments present possibilities to the West for trade and for the opening of channels of communication which may help us to break down some of the barriers between the Soviet world and our own. Yet, even if we should be able to make some really substantial progress toward an understanding, a modus vivendi, with the Soviet Union and Eastern Europe, there would still remain the ominous question mark of Communist China.

A Question Mark

The Prime Minister and I had the opportunity for a frank discussion about Communist China with President de Gaulle and M. Couve de Murville, the French Foreign Minister, during our visit to Paris shortly before the French act of recognition. While we would have preferred that France had consulted

her allies, it was apparent to us that her decision was taken after a careful weighing of all the circumstances as the Government of that country saw them. I hope the decision of France to establish diplomatic relations with Peking will help to reduce Communist China's continuing isolation. The isolation of the Soviet Union between 1917 and the early 1930's is now recognized as having brought little benefit either to the West or to the Soviet Union.

I do not wish to leave the impression that it is the West which is mainly responsible for Chinese isolation. In fact, since the Communist Chinese took control of the mainland, they have often appeared to be pursuing a deliberate policy of severing contacts with the West. They have also sought to impose conditions upon those who were otherwise prepared to enter into relations with them. It must be frankly admitted that the experiences of some governments which extended recognition and sought to establish diplomatic relations were not as happy as those countries might have hoped.

Realizing the dangers inherent in Chinese isolation, Canada has, like a number of other Western nations, encouraged increased contacts in the commercial and cultural fields with China; and I think this policy has been wise and has met with success. Canadian trade with China continues at a relatively high level, and there are increased dealings between Canadian businessmen and the appropriate Chinese agencies. With a relaxation in the Chinese attitude, one Canadian newspaperman is now in mainland China, and there is the possibility of other correspondents being admitted. This could give our public greater first hand coverage of events and developments on the Chinese mainland.

As part of this new development, we would be willing to receive an equivalent number of Chinese correspondents in Canada for the purpose of reporting -- and I emphasize the word reporting -- on the Canadian scene to their home audience. It is our hope that such reciprocal arrangements could, in the long run, help to reduce the distortions which in the past have proved so dangerous to relations between Peking and the Western countries.

International Position of Communist China

As far as the international position of Communist China is concerned, there are no simple solutions in sight. At the United Nations...Canada has opposed resolutions calling for the expulsion of Nationalist Chinese representatives and their replacement by representatives from Peking, on the grounds that such resolutions make no provision for the right of the inhabitants of Formosa to self-determination and appropriate international status. Canadian representatives at the United Nations have made clear the Canadian desire for an equitable solution which would deal adequately with the Formosa problem and at the same time bring mainland China into the mainstream of international affairs. This was the position taken by the Chairman of the Canadian Delegation, the present Leader of the Opposition in the other place, when he acted as Head of the Canadian Delegation to the General Assembly of the United Nations in 1961. I also agree with what the Right Hon. Leader of the Opposition said in the House of Commons on July 25, 1963:

"I think a major challenge is presented to the nations of the Western world today. Canada, the United States and other nations will have to take another look at our policy regarding Communist China. We will have to review our thinking. We will have to consider the problem, and it is a tremendous one, in the perspective of changing events, and particularly in view of this agreement; because, unless it includes Communist China -- and I do not want to mention France in the same paragraph -- and we are able to secure the adherence of Communist China, the threat of nuclear war will hang over us to a degree that we can only anticipate with foreboding, horror and overwhelming fear..."

Recent developments have revived interest in what could be described as a one-China, one-Formosa solution. To achieve such a solution would require above all the co-operation of the parties immediately concerned; but a practical and equitable solution along these lines has not so far proved acceptable either to Peking or to Taipei.

Future Possibilities

During the recent NATO meeting questions were asked in this House concerning my references in my statement before the Council in The Hague to the realities we might face at the nineteenth session of the United Nations General Assembly which might require some modification of the policy I have just described. The Prime Minister...has already referred to one such reality, the possibility of a vote favourable to the seating of mainland China irrespective of Canada's stand on that issue.

Another possibility is that Communist China might come so close to being seated by vote at this Assembly as to foreshadow a decisive trend in that direction at the following Assembly.

In that event, as I told the NATO Council, the chances of a solution which would make provision in the United Nations for the future of Formosa and its inhabitants on a basis of self-determination might disappear if we do not move from the present static position. We must remember that, if Communist China were seated, it would occupy not only the General Assembly seat now held by Nationalist China but the Security Council seat as well, a privilege which carries with it the right of veto over the admission of new members. A third issue we might face, if Communist China were seated and Formosa automatically excluded, would be whether to recognize the Peking Government or do as we did some years ago in the case of Outer Mongolia, sit beside them in the United Nations without according recognition to the regime.

These examples will make it clear...that the extent, if any, of modifications in our position which we might wish to consider will not become apparent until we see what developments occur at the next United Nations General Assembly, but surely there can be no excuse for our failing to consider this matter in good time when important changes in the tactical position at the United Nations have taken place.

Need for Prior Consultation

In saying that Canada has no intention of doing anything that would add to the difficulties of our friends, as I said at NATO, I was simply recognizing the need for prior consultation with our friends before policy decisions are taken on important questions. Indeed, there is a NATO requirement for such consultation, and that is why I concluded my statement at The Hague on the China issue by urging close consultation in New York among NATO delegations on this matter before and during the forthcoming General Assembly.

We are watching the situation closely, and Canadian policy will be predicated on a number of factors. For example, the effect on the stability of countries in Southeast Asia must be assessed with care, and particularly in the light of the current critical situation in Indochina. I shall refer to this new crisis in that area in a few minutes. Canada shares with other Western countries the same basic interest in helping the developing countries of Southeast Asia to maintain their independence and national identity. In addition, we have a special interest in this area through our role in the International Control Commissions in Indochina.

NATO: A Healthy Evolution

It is against this background of our relations with the Communist world that I would like to report on the NATO ministerial meeting which I attended in The Hague last week. The foreign ministers of the NATO countries have an opportunity each spring to review the international situation and the state of the alliance. We all realize that it is necessary to keep the nature of the threat under constant review so that the Western response may be appropriate, not only in a military sense but, equally important, in ideas and policies. Therefore I firmly believe that it is not a sign of "disarray", as it is sometimes called, but of progress and sensible evolution that there are any thoughts in the Western alliance as to how our countries should react to the new opportunities as well as to the pitfalls presented by the current situation vis-à-vis the Communists.

We have heard far too much about NATO being at a crossroads and suffering from various kinds of malaise. The fact is that the alliance is going through a healthy process of sorting out the different and often vigorously expressed ideas of its members on the state of the alliance and what should be done to bring it up to date. Would it be healthy if it were otherwise, if we were merely clinging to the conceptions of the past and not trying to keep up with the times in a flexible way as befits free peoples?

At The Hague there was general agreement that, in the next few years, our main aim must be to ensure that NATO can meet the requirements of a world very different from when the alliance was founded. NATO has its old myths. Events are overtaking them rapidly and if the alliance is to survive, we all must face the new realities. In the words of the Prime Minister at the NATO Council in January: "We must learn to deal with the difficult job of peace making while maintaining the force necessary to deter war."

But I can say that all the members, all the foreign ministers representing the great powers and the others, are agreed upon the fundamentals of this alliance, which are that we intend to remain free; we intend to maintain our military strength in the absence of political settlements and controlled disarmament; we intend to contain Communist aggression; we intend to remain firm in our dealings with the Soviet Union, but willing to explore any road to political settlement provided it does not endanger our security.

NATO Goals

There are different ideas on how to proceed in the future. What is needed in the alliance is more willingness on the part of those who want changes to propose them, and more willingness on the part of those who profess partnership to start practising it. If we are to adapt the alliance to changed conditions, there are certain goals which we believe are worth pursuing. First and foremost, so far as this country is concerned, we believe there must be increased emphasis on the transatlantic nature of the alliance. Any development within the alliance toward European or North American continent-alism will be resisted by this country, I hope. We will never choose, I hope, between the two sides of the Atlantic, because we cannot; for our historic ties are with Europe while at the same time we are a North American country. Greater co-operation between the two sides of the Atlantic is to us the only sensible policy if the Western alliance is to continue to evolve as a partnership of like-minded nations.

Second, Europe today is vastly stronger than in 1949, and many European countries think, quite rightly, that they should play a larger role in the direction of the alliance politically and militarily. I am sure concrete proposals would accomplish this and these would be welcomed by all. I urged my colleagues at the meeting to let us have these proposals.....

Finally, we need better consultation in the military as well as in the political and economic spheres. There have been enormous improvements in recent years and, as a result, the alliance is stronger today than in 1949. Because we now feel freer than before to go our own ways, there is an even greater need to tell each other what we are doing and why.

I am afraid that that is now the situation. If we fail to do so, mistrust sets in and we lose sight of the fundamental reasons which keep us together and we become obsessed by our differences.

Canada's Relations with France

When the Prime Minister and I visited Paris last January, we agreed that we would consult with France at the ministerial level. We found that President de Gaulle and his ministers shared our desire for a closer relationship. Although only a short time has elapsed since that visit, I believe I can already say with confidence that our conversations marked an important milestone in Canada's relations with France.

While I was at The Hague, I met privately with the French Foreign Minister, M. Couve de Murville, as part of our continuing ministerial consultations. We talked not only about NATO matters and Cyprus but about more general international problems and about our developing bilateral programmes in the cultural field. I am sure we will have an opportunity later to give an indication of the nature of these bilateral accords which were reached with France and in connection with which I was able to report some progress in my conversations with the French Foreign Minister, who, I believe, and I am sure the Prime Minister will agree, is one of the great foreign ministers. Even when we do not agree with his views, they are worth trying to understand, for I am sure they represent much more than a purely nationalistic approach to the problems of Europe and the world. I am happy to see that this was confirmed by France herself in the warm reception which the Government of France gave to the Secretary-General of the United Nations a few days ago in Paris.

In recent months Franco-Canadian programmes have been set in motion which will result in closer educational and cultural links. Our investment relationships are also actively under study, and we are looking at a number of other fields in which there may be some possibility for mutually beneficial links -- immigration, defence production, science, tourism and so on. Neither we nor the French expect to see spectacular changes overnight, but we are working to create a new atmosphere or a new structure in our relations.

I might add here that we in no way think of this new relationship as one of interest only to French-speaking Canadians. May I quote what the Prime Minister said at our dinner last January in honour of Monsieur Pompidou, the French Prime Minister. I quote the Prime Minister of Canada:

"In English-speaking regions of Canada, there is a much greater interest in the French language and French culture, the role of which is being increasingly appreciated as an essential element in our nation. This development brings about, quite naturally, a renewal of interest which serves most appropriately our relations with France, and this, I can assure you, is not limited to the Province of Quebec...The two governments are fully alive to the opportunities offered by the dynamic progress within the two countries."

The Commonwealth: A Unique Institution

I have spoken of our relations with France. Turning to the Commonwealth, I might say that we look forward with pleasure to the holding of the Third Commonwealth Education Conference here in Ottawa from August 21 to September 4. It will be recalled that, as a result of the Commonwealth Trade and Economic Conference held in Montreal in 1958, a Commonwealth Education Conference was held in Oxford in July of 1959. This meeting recommended the development of four types of Commonwealth co-operation in education: the scholarship and fellowship plan, the training of teachers, the supply of teachers, and technical education. Developments in all these fields were reviewed and new areas of co-operation examined at a second conference held in New Delhi in January 1962.

Mr. Vincent Massey has agreed to accept the office of president of this meeting, and this is yet another example of his high sense of national duty and of the valuable contribution he has made to Canada. The Canadian Government, provincial departments of education and the whole educational community are giving their full support to this important conference. The activities in the field of educational co-operation which will be discussed at the Ottawa meeting have already brought benefits to all Commonwealth members, and provide an example of the constructive partnership for which the Commonwealth stands.

I should like to say that much thought is being given these days in many places to the Commonwealth. It is a unique institution, as we know, which has evolved along lines which are capable of promoting the interests of its members and the improvement of international understanding. Admittedly it faces problems which may test its adaptability and cohesion, but we have no doubt it will weather these storms. The Prime Ministers' Conference in July will address itself to many of these problems. There will be a continuing search for methods to maintain its character and its purpose. It could be that the Commonwealth Education Conference provides the kind of activity needed to realize these objectives, as we pointed out to Mr. Sandys, the Secretary of State for Commonwealth Relations, when he was here in Ottawa a few days ago.

Relations with the German Federal Republic

At the end of The Hague meeting, I accepted an invitation from the German Foreign Minister to go to Germany. No Secretary of State for External Affairs had visited Germany since the war, apart from attendance at a NATO ministerial meeting held in Bonn. It was thought that it would be desirable for me to pay a visit to this leading allied country at this time, a country which has so successfully constructed a modern democratic state on the ashes of Nazi tyranny.

Our relations with the German Federal Republic are important. We have more trade with Germany than with any other European country, nearly \$200 million more than with France, for example. There are in Canada now almost a million people of German origin, while we have in Germany, if we include the families of our soldiers and airmen, about 25,000 Canadians.

I therefore agreed to go from The Hague to spend some time with the German Foreign Minister, Mr. Gerhard Schroeder, in Bonn and to spend a day in West Berlin before returning home. I can say that Mr. Schroeder gave me a full and clear account of the thinking of his country on the great problem which must preoccupy all Germans so long as their country remains divided. That, of course, is the problem of German reunification. He said again, as his Government has said countless times, that modern Germany has renounced the use of force as a means to attain its objectives. I said that the Government of Canada understands and supports the Federal Republic of Germany in every peaceful effort to reunite its peoples through the exercise of their right of self-determination in freedom.

I think there are many points of similarity in the Canadian and present German outlook on the future of Atlantic co-operation. Like us, they want to see European integration pursued within an Atlantic framework. Like

us they want the "Kennedy round" to succeed and so contribute toward the liberalization of trade on a world-wide basis.

I am glad, as I am sure the whole House will be, that we shall have an opportunity to welcome Chancellor Erhard and Mr. Schroeder here when they visit us from June 9 to June 11. Apart from the United States and Britain, Canada will be the first country outside the European Common Market that Dr. Erhard will have visited since he became Chancellor. He has been here before and we look forward to seeing him again. Both the economic regeneration and the political transformation of modern democratic Germany owe much to the Chancellor.

When I went to Berlin, I saw a different kind of evidence that Germany is not what it was when I last visited that country in 1936. As many of you who have been there know, there is not a single landmark left of whole aspects of the Berlin I had known. Much has been rebuilt, and there are impressive new industrial and urban developments. But as one gets to the frontier of freedom, where East and West Berlin meet, there are gaping reminders of Hitler's war. Through this area, formerly the heart of the city, runs the wall, that stark, horrible monument to the failure of a system. For, if the Communist system in the Eastern zone had not failed so lamentably, why would from 3,000 to 5,000 persons a week have tried, at the risk of their lives, to escape westward to freedom? From the boundary of West Berlin it is like looking at the outside of a great concentration camp. There are armed guards, machine guns, lookout towers, row upon row of barbed wire, tank traps, houses demolished or their boundary windows bricked up, railways and subways blocked and guarded, as if the life of that regime in the East depended upon stopping people at all costs from escaping to bear witness to conditions under Communism.

The German problem is the centre of the European problem and certainly also of the relations of the West with Communist countries. The solution of the German problem could open up a real understanding between East and West. It is important for a country like Canada to understand this problem, to understand the position of some of our NATO partners, to analyse our attitude and our assessment of the reactions of the Soviet Union to any proposed solution.

Search for Controlled Disarmament

I have dwelt principally on the relations between the West and the Communist countries and within the Western community itself. Both these preoccupations converge in the disarmament discussions being conducted in the Eighteen-Nation Committee in Geneva. It is there that the four NATO nations, Britain, Canada, Italy and the United States, are in a sense, acting for their alliance partners in the continuing search for controlled disarmament and, in the meantime for any measures to ease international tension and avert the possibility of war by miscalculation or surprise attack. It is there, too, that both the Communists and the non-Communists feel the full weight and influence of the non-aligned nations as represented by eight of their number from all the continents.

While I was in Geneva at the end of March, I attended a session of the Eighteen-Nation Disarmament Committee and reaffirmed Canadian support for its activities. May I add, the last time I had been in the room where that meeting took place was in 1938 when, with Mr. Lapointe, I had gone as one of the delegates from Canada to the last Assembly of the League of Nations. I could not help but think, as I sat in that room, of all that had happened since 1938, both in human and physical destruction in our world; I wondered whether our deliberations would lead to the beginning of a resurgence and of a new opportunity for mankind.

At that meeting I stressed the need to follow up the accomplishments of 1963 with further advances toward halting the arms race. While the negotiation of a treaty on general and complete disarmament is the main task of the Committee, discussions over recent months lead to the conclusion that the way to general disarmament must be prepared by agreements on more limited collateral or pre-disarmament measures.

Pre-Disarmament Measures: The Canadian View

I therefore took the opportunity to state Canadian views on a number of measures which have been proposed. I expressed Canadian support for President Johnson's recent proposal for a verified freeze on the numbers and characteristics of strategic nuclear-weapons delivery vehicles. It is a proposal of particular interest to Canada because those long-range weapons systems constitute the direct threat to North America. It is also consonant with our view that every effort should be made to arrest the ever growing qualitative and quantitative competitions in armament production. A verified freeze on strategic delivery vehicles would provide a practical means to that end. A halt in this most costly and potentially dangerous segment of the arms race would do a great deal to help us all find an agreed method to reverse the process and begin disarmament in earnest.

I welcomed also the proposal which has been made in differing form by both the United States and the Soviet Union for a "bomber bonfire". An early agreement to destroy some of the major means of delivering nuclear weapons would reassure a sometimes sceptical world that the great powers are really serious about disarmament. It would have the added advantage of ensuring that these aircraft, obsolescent perhaps by super-power standards but still potentially lethal, would not be disposed of to less militarily-powerful states which might use them in a way which would aggravate regional disputes.

On the question of non-dissemination of nuclear weapons, I voiced continuing Canadian support for an agreement based on the terms of the well-known Irish resolution of 1961 and for a comprehensive ban on the testing of nuclear weapons. I spoke in support of the progressive development of an international system of safeguards over the transfer of fissionable materials for peaceful uses. All these measures merit our continuing support as important elements in limiting the numbers of nuclear weapons in the world and the number of nations having independent national control of them.

As the Prime Minister said on May 7, we are issuing invitations to a number of nations with experience in this field to attend an exploratory conference in Canada within the next few months. We are following up with detailed suggestions as to the pattern which such a joint examination of this problem might follow. Out of it we hope to obtain not only improved methods by which those nations can prepare themselves for peace-keeping service under the United Nations but some concrete conclusions which could be made available to other interested states and which would perhaps encourage them to set up stand-by units within their national forces.

Speaking of the United Nations, I know I can say for all members of this House that we are looking forward to the visit on Monday and Tuesday next of the United Nations Secretary-General, U Thant, who will address the combined Houses of Parliament in this Chamber on Tuesday morning. He will find us a nation dedicated to the Charter of the United Nations, as has once again been demonstrated by Canada's contribution to the difficult peace-keeping operation on the island of Cyprus.

I regret taking up all this time, Mr. Chairman, but I did feel that a comprehensive statement on these matters was due... and there are two matters of current interest upon which I cannot refrain from speaking, particularly in the light of the assurances I gave several times this week in answer to questions on orders of the day.

Cyprus: Its Meaning for NATO

So much has been said in the House about Cyprus that I would not feel justified in entering into a detailed recapitulation of the United Nations operation there, either in respect of the Peace Force or the concurrent endeavours of the Mediator. I would, however, like to give the House a brief account of how this matter was dealt with at the recent NATO meeting, where it became in fact one of the principal preoccupations of the assembled ministers.

I went to The Hague representing the only country at that meeting which is participating in the Force, although two days later the Foreign Minister of Denmark was able to announce that his country's forces had just arrived in Nicosia. And, of course, the United Kingdom is a member of the Force and is also a member of the NATO Council. But the United Kingdom had a force on the island long before the United Nations force was established, and did an essential job in dealing with a most difficult situation. It is the major component, with some 2,700 troops, and it is bearing a heavy responsibility.

I went to The Hague convinced that advantage should be taken of that NATO meeting to impress upon the Greek and Turkish Foreign Ministers two points: first, the concern of all other members of the alliance over the weakening of the southeastern flank of NATO resulting from the deterioration in relations between these two countries because of Cyprus; and second, the need for these two countries to exercise restraint in their relations with each other as well as a moderating influence on the two communities in Cyprus in order that the peace keeping and political mediation of the United Nations might be facilitated.

I met separately with the Foreign Ministers of Greece and Turkey, both before and during the meetings. I listened to their views and pointed out to them my grave concern. I can say that these preliminary and other discussions were very helpful in furthering mutual understanding of our various preoccupations.

Hon. Members have already seen my references to relations between Greece and Turkey and to the Cyprus situation in the conference statement which the Prime Minister tabled on May 15. Other foreign ministers also expressed concern that the solidarity and strength of the alliance should not be prejudiced by a deterioration in relations between Greece and Turkey, and spoke in support of the United Nations operation there. I believe it will be a matter of pride to Members of this House that practically every foreign minister who took part in the discussion referred to Canada's participation not only in peace keeping in Cyprus but in practically every other peace-keeping operation under the auspices of the United Nations.

It was agreed after some discussion that the Secretary-General of NATO should keep in touch, pursuant to recommendations made by the Committee of Three in 1956, with Greece and Turkey in order to be available to assist in easing relations between these two allies. In effect, the NATO Secretary-General has been given an informal watching-brief over a situation affecting the relations of two member countries.

Because of our preoccupation with Cyprus, this was a valuable part of our meeting at The Hague from my point of view. I want to make it clear that there has been no infringement by NATO of United Nations responsibilities in Cyprus. Exclusive responsibility for restoring peace and promoting a political settlement in the island rests with the two Cypriot communities assisted by the United Nations force and the United Nations mediator. But a quite separate responsibility, which has now been recognized, rests on NATO to see to it that the actions of none of its members either weaken the alliance or render the task of the United Nations in Cyprus more difficult. War between Greece and Turkey is unthinkable -- unthinkable for NATO and unthinkable, as I told the foreign ministers concerned and as others did, for the two countries themselves. I think the recent frank airing of this problem in the Council gave all the members an opportunity to express their concern and to offer assistance to Greece and Turkey in restoring good relations, and thereby contributing also to an improvement in intercommunal relations in Cyprus.

Situation in Indochina

We are reading these days about a developing and critical situation in Indochina that concerns Canada. Although the Cyprus operation under the United Nations auspices has been a constant and urgent preoccupation over recent weeks, other peace-keeping duties continue as we know to be discharged by our country. Some, such as the United Nations Emergency Force in Gaza and the Observation Mission in the Yemen, are going forward quietly. Another major operation, that in the Congo, is scheduled to be wound up next month, four years after its inauguration.

Of renewed importance, although outside United Nations auspices, are the truce supervision activities in which we are engaged in the three Indochina states of Vietnam, Cambodia and Laos. It is now almost ten years since this country undertook, at the request of the participants in the Geneva Conference of 1954 on Indochina, to serve along with India and Poland in the three International Supervisory Commissions for these three Indochina nations. Indochina is once again in a state of crisis, and I believe I have the responsibility to explain the Canadian Government's position with regard to some of the unfolding events in this area.

Civil War in Vietnam

In South Vietnam there is now a full scale civil war supplied, directed and inspired from Communist North Vietnam. This civil war runs the risk of becoming an international war, because the Communists continue to encourage their Communist fellows within South Vietnam and to provide them with help in the form of strategic direction and infiltrated supplies of arms and trained personnel, while the United States, for their part, have responded to the requests of successive South Vietnamese governments for help in the form of training and equipment against this externally organized and supported insurgency.

Both the Government of the United States and the Government of South Vietnam have made it clear that if the North Vietnam Government and its backers will cease to interfere in South Vietnam, military aid from the United States will not be necessary. There is no question of any attempt by the South to take over the North, nor of the United States desiring to maintain bases in the South. What is required is for the Communist North to abandon its policy of interfering in the South. Our delegation to the Commission there reports to us as an independent body, and I am satisfied that the assessment made by Canada, on its own, represents the actual situation.

There have been suggestions that neutrality would be the best policy for Vietnam. I would not disagree with this as a long-term objective; we are already agreed that it is the desirable policy for Cambodia and Laos. But can there be any doubt that supporting a nominally neutralist South Vietnam would, in present circumstances, make that territory become anything other than an early victim of Communist subversion? I believe that genuine, viable neutrality for Vietnam can become possible, but I think it will become possible only after the present insurgency is brought to an end.

The role of the Commission on which Canada serves in this situation is very difficult. Yesterday, in the Security Council, Mr. Stevenson criticized the effectiveness of the Commission. A large part of the original terms of reference of the Commission has become a dead letter. But the Commission has performed the useful function of examining South Vietnamese charges of subversion from the North, and has presented a special report to the Co-Chairmen of the 1954 Geneva Conference stating its positive findings. It has not done as much as we would have thought necessary. In particular, we have believed and proposed repeatedly that the consideration of cases of subversion should have been and should be more expeditious. In the critical situation obtaining in Vietnam, the Commission's duty to point to breaches of the cease-fire agreement becomes more rather than less urgent. We shall continue to press our Commission colleagues to take the same view of the Commission's duties as we do.

Cambodia-Vietnam Border Problems

One unfortunate offshoot of the war in South Vietnam has been a series of violent border incidents with Cambodia. South Vietnamese troops repeatedly cross the Cambodian border and we are told that they do so in hot pursuit of Viet Cong insurgents seeking to take refuge in Cambodia after operations in Vietnam. We in Canada -- and I have made this clear before -- support Cambodian neutrality and territorial integrity and therefore are doing what we can to try to find some way to bring these incursions to an end. Although this is not, strictly speaking, among the functions set out for the Commission in Cambodia in the Geneva Agreements, we have allowed it to be used to investigate such incidents and are ourselves trying to use it to see whether some more satisfactory arrangement can be made.

Yesterday Mr. Stevenson made a number of proposals in the Security Council in the course of the debate on the Cambodian complaints against Vietnam. The proposals concerned various means by which the Cambodian-Vietnamese border might be insulated from the effects of the Communist insurrection in Vietnam. These proposals merit careful study. We have long felt that the Geneva framework for Cambodia was not designed to deal with situations that might arise along the frontier with Vietnam. We should therefore welcome all suggestions that could lead to the lowering of tension on the frontier between these two countries. Whether they are related to the Geneva framework or not is of less importance than their possible efficacy in correcting a dangerous situation. I am sure that when we discuss the problems of these countries it is not easy for us to recognize the extent to which we in this interdependent world, whether we like it or not, are obliged in our own interests, as well as in the interests of world peace, to find that these matters are of vital concern to us.

A Divided Country

Laos is also the unfortunate victim of the confrontation between Communist and non-Communist forces. An attempt was made at Geneva in 1962 to bring about conditions which would permit Laos to be united, independent and neutral. My honourable friend the former Secretary of State for External Affairs attended the conference in 1962 when we were brought in as a direct member of the conference. At the present time that country is, in all but name, a divided country. One part of it is held by Right-Wing forces which have been far from blameless; they have done many things which have made the task of the Neutralist Prime Minister, Prince Souvanna Phouma, more difficult. But at least they have co-operated in some measure with the Prime Minister, and the areas they hold are generally open to inspection by the International Commission of which Canada, I wish to emphasize, along with India and Poland, is a member.

The areas held by the Communist Pathet Lao are closed to the Commission except upon rare occasions, and the Pathet Lao faction has been unco-operative to such a degree that one is forced to the conclusion that it really prefers the partition of the country to its unification under a Neutralist Government. Their latest military attacks in the Plaine des Jarres cannot be justified by any political manoeuvring of the Right Wing in Vientiane. Our delegation to the Commission has consistently supported both the authority of

the Prime Minister and the obligation of the Commission to carry out its duties under the Geneva Protocol of 1962. Unfortunately, we have not received the degree of co-operation required for success. The Commission has to act by majority vote or, in certain circumstances, by unanimous vote.

The Prime Minister of Laos has proposed that, in view of the gravity of the situation, the members of the 1962 Conference on Laos should hold consultations as provided by Article 4 of the Geneva Protocol. The Government of France has now indicated its support for this proposal in notes to the Co-Chairmen of the Geneva Conference, Britain and the Soviet Union. It seems to me that consultations under the Protocol could have a salutary effect on the present crisis, and I have already instructed our Commissioner in Vientiane to let it be known that Canada would be willing to take part in such consultations arranged as a result of the proposal made by the Prime Minister of Laos. It will, of course, be for the members of the Geneva Conference to decide whether any consultations which are agreed upon should take place with all the formality of an international conference or, perhaps preferably, in some less formal way.

I recognize that this has not been an encouraging picture of the state of affairs in Indochina, an area where Canada has, for ten years now, at great expense to our people, sought, along with India and Poland and other countries, to bring about peaceful conditions. The key seems to lie in Vietnam, and if the Communists would renounce armed subversion a great step forward would have been taken toward restoring peace and stability to the area. Political solutions seem hardly possible for Vietnam as long as the present militant Communist interference in South Vietnam continues.

I am afraid that I have taken too long, but really I do not apologize, because these are matters on which Parliament has a right to hear from me. I recognize that time has prevented me from dealing with many other questions, such as external aid, international economic development, desirable changes in the United Nations, and the Organization of American States. These and other questions will undoubtedly be covered in our discussions here and in the External Affairs Committee when my estimates are being considered.

An Interdependent World

The wide area covered by what I have had to say points up the fact that our world is interdependent. When I think of the questions with which I have to deal I cannot help but go back to my early days in this House 28 years ago, when there was little discussion of foreign affairs and when it was regarded almost as presumptuous even to put a question having to do with the foreign policy of the nation. All that is changed because our world is changed, and with that change has come perhaps a heavier responsibility for Parliament than it realizes. Canada cannot escape its responsibilities in matters which a few years ago were not regarded as our concern. We are drawn into the maelstrom of a disturbed world. We are not one of the great powers, but self respect and international obligation present us with a duty and an opportunity. Although we are not one of the main architects of the world's destiny, I believe we will not shirk our responsibilities in seeking to establish better conditions for peace among the nations.



ADA

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

1964/14

AUG 5 1964

No. 64/14

DIPLOMACY FOR PEACE

Convocation Address by the Secretary of State
for External Affairs, the Honourable Paul Martin,
at the Commencement Service, Wayne State University,
Detroit, Michigan, June 18, 1964

It is a great privilege for me to be here this evening and to participate in this Convocation. Since its foundation in 1868, Wayne State University has compiled a distinguished record of service to the cause of higher education in the United States and it is for me a particular honour to be awarded a degree from this great university.

All over the United States and Canada, this is the season when people of my generation are telling graduating classes, with a good deal of solemnity, that they are going out into a difficult and dangerous world.

I wish I could tell you it wasn't true. I wish I could tell you, as my generation of graduating students were told by some of my fellow Canadians, that in North America we live in a fireproof house isolated by our geography and our history from the need to worry about other peoples' wars. Yet by the time you reach graduation in this year of grace 1964, you have all heard, so many times that you may begin to believe it, that there is no place on this planet, and certainly not on this continent, that would be immune from nuclear war.

You have probably also heard too many speakers warn you of the danger that man's new knowledge has unleashed forces he has neither the strength of character nor the consciousness to control. These forces, in other words, may not only run away with man but destroy him. Perhaps some of you are getting just a little allergic to the repetition of this alarmist advice for the perfectly healthy reason that you do not see what you can really do about it anyway.

Keys to Hell and Heaven

At the same time you are already fully aware that your generation are being given the keys not only to a nuclear hell but to a material heaven also, inaccessible to any previous generation on this earth. With the incredible releases of energy, electrical as well as nuclear, made available to man for the first time in this century, it is already possible that by the end of the century (that is within the life time of most of you), freedom from

hunger will have been attained for humanity in spite of the enormous increase that we expect in its numbers to something like six billion people. If this freedom can really be attained for the hungry third of humanity, it would be the most revolutionary material achievement since the dawn of human history.

Both these great keys to the world's heaven and hell will work. We do not know which will be used - it will be one or the other. We are all in God's hands, but these great keys have today been placed in our hands; and it is the task of our diplomacy to do all that is humanly possible to serve the peace. Some of you have just graduated and are perhaps still undecided what you want to do with the lives now opening ahead of you. All of you can do something significant for the peace of the world by spending ten minutes a day taking an intelligent interest in the foreign policy of your own country, instead of glued to the television. Some of you can do more than that. Even though only a few of you may perhaps become diplomats, I want to talk to you about diplomacy and the opportunities for service which diplomacy affords to those who can keep a balance between ideals and realities. Although I can only speak as the foreign minister of Canada about Canadian diplomacy, I expect that much of what I will have to say has a bearing upon your diplomacy also, because in these days there is only one kind of diplomacy for free societies and that is what I would bluntly call "peace diplomacy" - since the only other kind would have to be called "suicide diplomacy". For if we agree that there is no alternative to peace, then - whatever stop-gap military measures may be needed here and there to prevent a situation from deteriorating into full-scale war - we must agree also that there is no alternative, sooner or later, to negotiations, or in other words to diplomacy.

Indeed, I would go so far as to say that, since the Cuban confrontation in October 1962, there is a good deal of evidence to suggest that the Russians have also come to pretty much the same conclusions about nuclear warfare as you and we have. But there is one major grouping, the Chinese Communists, that have not come to these sensible conclusions. No doubt they would agree that nuclear warfare is clearly undesirable, but the risk is by no means excluded by a regime whose leader, Mao Tse-tung, in 1957 analyzed the problem in this way. He looked back to the First World War and pointed out that after it was over the Soviet Union and about 200 million Communists had emerged. After the Second World War, according to his analysis, the Communist world had grown to 900 millions. Therefore, he goes on, after the third world war the same trend will probably be accentuated, and there will then not be enough non-Communists left to matter very much. So he foresees, if there is another war, the emergence of a Communist civilization. This is a concept which even Mr. Khrushchov has derided as recently as January last year, when he scoffed at those who dreamed of building a Communist world "on the ruins of a world deserted and poisoned by nuclear fallout".

Conventional Labels Falsify

In addition to disagreeing with the Russians about the unacceptability of nuclear war, the Chinese Communists, it is now apparent, are actually engaged in a determined take-over bid to wrest the leadership of the Communist parties, at least of Asia and Africa, away from the Russians. In these circumstances, you see how misleading it is for our diplomacy and our thought to be shackled with the old labels that we still use too often, such as "East and West", when

the reality is that we are today dealing with at least two Communist worlds, not one. Even with regard to the Soviet world, there is, in fact, a great deal more diversity, just as there is in the West, than we could ever have expected a few years ago.

In objecting that the term "East-West relations" is no longer adequate, I am not merely playing with words. The words are not important in themselves. But by sticking to a phrase that has outlived its usefulness we limit or distort our thought, often unconsciously; ideas are very important, in diplomacy and indeed in the world. One aspect of diplomacy is the battle for the minds of men; and that battle is fought with ideas. Therefore let us make sure our weapons, our ideas, are not obsolete.

The "Iron Curtain" is another conventional diplomatic tag in need of revision. For 15 years after the war it conveyed vividly a bitter truth. Even today, if you were to visit Berlin as I did last month, you would see the Wall - that horrible monument to the failure of the Communist system, erected to make it easier to shoot people fleeing to freedom from East Berlin. The Communists could not accept the scandal that 2,000 to 4,000 of their people each week should be risking their lives to get out of the "People's Paradise". So they built the Wall; and it is indeed an Iron Curtain of barbed wire and blood.

Rust on the Iron Curtain

However, I think we can all rejoice that elsewhere the Iron Curtain is getting pretty rusty in spots - so much so that it is no longer a very apt description of the frontiers which divide the Western world from the European Communist countries. That there are still important barriers, no one would deny; but there is no longer today the impenetrable wall that the term Iron Curtain suggests. Indeed, there is now a passage of persons and ideas, both ways, sufficient to make Stalin turn over in his second resting place.

Another term we might think about bringing up to date is the expression "satellites" used to describe the countries which are supposed to be cringing behind the Iron Curtain. It suggests regimes of slavish obedience to Moscow, who follow every dictate of the master's voice in every aspect of their internal and foreign policy - in other words, a group of countries marked by a uniformity which blots out such national characteristics as at one time existed. If this was ever true, it is certainly much less apparent today, though it would, of course, be an exaggeration to assert that the Eastern European regimes have wide freedom of action or that their leaders (as distinct from their peoples) wish to break away from the U.S.S.R., though Tito may not be the last to make the break. These countries are linked by a military treaty with the Soviet Union; their economic systems are closely integrated; and they profess the same kind of Communist credo as the Soviet Union. Nevertheless, within these limits, in the last few years the Eastern European countries have applied - and have been allowed to apply - their Communism in a way which takes into account more than heretofore the differing conditions and national characteristics of the peoples concerned. They have also been allowed more trade and other contacts with the West.

Western Response Intelligent

Western diplomacy has, I think, reacted intelligently to the new opportunities offered in this situation - opportunities for contacts and understanding, for a supple, diversified range of policies to meet each case, instead of an ineffective, precast formula to "roll back the Iron Curtain" that increases fears behind it and therefore only serves to re-establish the Curtain in all its severity. I only wish that in respect of Far Eastern policy there was as wide a measure of agreement on both sides of the Atlantic as there now is about our policies towards Eastern Europe, for, where there are serious differences among us, the left hand may undo what the right hand is labouring to accomplish. The result is waste of effort, bitterness, disunity and danger.

To return to Europe, however, the idea of Europe - and not just Western Europe - still has power. President Johnson said last month that lasting peace depends on "rebuilding an all-European civilization within its historic boundaries". I expect that this is true, especially if in the process of remaking Europe as a whole we can take a corresponding step towards an Atlantic community. For it is fundamental to a Canadian point of view - and I hope also to yours - that the lesson of interdependence is applied not on a continental basis alone but by moving towards an Atlantic community.

The Western Europeans are on the move. They want to transcend their warring national histories; and the pull of this big idea is felt also in Eastern Europe. But can there be any doubt that free Europe has far more in common with us in North America than it has with the Communist countries of Eastern Europe?

All that is so far lacking is sufficient interest and will on this side of the Atlantic to move from a military alliance towards building a community with Western Europe. We in Canada, and you in the United States, will pay a high price for our shortsightedness if, because we did not see our opportunity, the tides of continentalism on both sides of the Atlantic come in again, bringing new kinds of nationalism and isolationism in their wake.

Diplomacy - the "peace diplomacy" our countries are trying to follow - requires a broad vision and a sense of history. But it also demands day-by-day attention to the dangers, large and small, that threaten the path to peace. The big dangers, like Cuba in October 1962, must be confronted by the big powers, by you. But the more frequent little dangers, that could grow into big ones if not checked, are where we come in.

Peace Role of Canada

Canada has in fact taken an active part in almost every United Nations peace-keeping operation since they began. We are a middle power, as the phrase goes, neither colonial nor yet aggressively anti-colonial, neither too strong nor too weak. So when the United Nations fire alarm sounds, it happens that Canada is usually asked to go.

Two weeks ago, in Ottawa, your Assistant Secretary of State for International Affairs, Mr. Harlan Cleveland, told the annual meeting of our United Nations Association: "Since 1948, Canada has assigned Canadians to every peace-keeping operation of the UN except one - the only country which has done so". Yes, we have responded in Kashmir, in Israel, Gaza, the Congo, Yemen, and now Cyprus. It is a long and expensive list; it is politically difficult at home because of the risks; and we get small thanks abroad for our work. We do it not for the glory but as our duty, since there are not many who are both willing and able to move in quickly with an effective force. Only five other countries have so far joined us in earmarking part of our regular Army as stand-by forces ready at any time to go anywhere we may agree to send them at the request of the United Nations and the governments concerned.

At the same time we have been playing a similar international role politically as one of the three members of the Truce Commissions in Indochina for ten long and frustrating years.

To keep up the momentum of the peace-keeping idea, we are trying to take steps outside the UN, since efforts to make progress in the UN have for years been blocked by the Soviet veto, to ensure that in future there may be less improvising and strain and risk in this recurring UN need. To this end, we are planning to hold a conference in Canada later this year of those countries with experience of peace-keeping operations. United Nations peace keeping, we feel, has come to stay. It is now no longer an exceptional phenomenon but a regular feature of the United Nations repertory of possible answers to a dangerous situation or threat to the peace. In the world of tomorrow it is probably the key to both international and even national security.

Disarmament Essential to Peace

Of all the roles of peace diplomacy, however, it is disarmament that tackles the central problem most directly. Here again Canada has, since I first went to the League of Nations in Geneva 28 years ago, been playing a serious and constructive part in the collective effort to achieve disarmament on terms that would reduce rather than increase present risks for all. On these criteria, we believe it would be folly simply to give up the nuclear deterrent, unilaterally or on both sides, without some means of knowing that there was no cheating. We therefore want inspection and control, not before disarmament but progressing with it as required technically for the satisfaction of both parties to know pledges are, in fact, being kept. Progress is really being made, painfully slowly it is true, but I think already the improvement in Western relations with the Soviet Union which I mentioned earlier is due in part to the patience and sincerity of our collective work on disarmament over the years.

But it is due to something more. Since the war, we in the West have shown the Asian and African majority of the world's peoples that it is possible for white rulers to leave before they have to, and for independence - economic as well as political - to be given to hundreds of millions of these ancient peoples who were civilized long before North America had been, as we say, "discovered". It is also a salutary lesson for some people to see that Western countries are willing to give large amounts of aid for the economic development,

even of non-aligned countries, without exacting any kind of trade, political or military concession in return. Aid alone is not enough, but aid and trade together are building bridges for our ideas in Asia and Africa and indeed among all the developing countries. With this "third world" there is no more important aspect of our modern diplomacy. It is helping to reduce the gap and therefore the tensions between the rich and the poor in the world - and this gap may, in the long run, be as great a source of worry for the peace of the world as the gap between the Communist and non-Communist worlds is today.

I have, I hope, spoken long enough to earn my degree, for which I am deeply grateful, and yet not too long to make you wish you had not conferred this honour upon me. Before I leave you, may I add just one thought to an idea that must have been an important one to the late President Kennedy, since he put it in his first inaugural. You remember his great exhortation, not only to Americans -- "do not ask what your country can do for you, but what you can do for your country". If you add to this - and I am sure it is in the spirit of your great President - that we should also ask what our countries can do for the peace of the world, you have a hierarchy of service that can stand as the ideal of diplomacy for all free peoples everywhere.

s/c



Gov. Doc
C-100
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/15

THE EXPANDING COMMONWEALTH

Statement to the House of Commons on July 17, 1964,
by the Right Honourable L.B. Pearson, Prime Minister
of Canada.

Mr. Speaker, I welcome this opportunity to make a report to the House on the Commonwealth Conference which has recently concluded its work in London....

I was assisted in representing the Government at this Conference by the High Commissioner for Canada in the United Kingdom, an old colleague of ours in this House, and by a small group of officials. I believe ours was the smallest of all the delegations. However, so far as the officials are concerned it made up in quality what it lacked in quantity. I should like to pay a very warm tribute to their hard work, and it was hard work....

There were 18 representatives of Commonwealth governments who sat around the table this time, a considerable increase since the last Commonwealth Conference, and they included many new countries which have emerged to independence since that last Conference was held in London. I doubt, Mr. Speaker, if anything can do more to bring home to one the problems with which the new countries in Africa and Asia are contending than to participate in the kind of meetings that were held in London during the last ten days. I doubt also, Mr. Speaker, if anything can do more to remove doubts about the value the Commonwealth can have -- and I hope and believe will have in the years ahead -- as a link between races and cultures and continents, and as an agency to promote co-operation and understanding among men and nations....

The final communiqué which was made public on the last day of the Conference, very late on Wednesday evening after a communiqué session which began in the morning and went through until nine o'clock in the evening, gives an indication of the nature and scope of the discussions and of the most important points on which agreement was reached and on which views were recorded. No previous meeting, I believe Mr. Speaker, has led to so expansive a statement in a communiqué on so many subjects. I am now talking about Commonwealth prime ministers' meetings; and no previous meeting, I suspect, went through quite so much debate in trying to agree on just what should be said in the communiqué.

There is nothing surprising about either fact. The communiqué is long because the discussions were far-ranging, because the interests of the Commonwealth countries are world-wide and the problems for attention are varied. The long debate over the production of the communiqué was, I think, to be expected, when there were participating 18 countries of extremely different views, and often contending views, on a great many subjects.

No Longer a Compact Association

The Commonwealth today is a far cry from the compact association of a few years ago. However, Mr. Speaker, I think it is a more representative reflection of the world in which we live today and of mankind as a whole than anything we have known in the past. The change in the Commonwealth is perhaps more noticeable because of the character of the increase rather than the extent of the increase. The new members have come from Africa, the Caribbean and Asia; and because of the nature of the new membership, as well as its number, the search for a common denominator of agreement on policy and attitudes and like-mindedness, if you wish to put it that way, I suspect, is more difficult than it used to be.

But, to the extent that this can be achieved, the result is more important today, I believe, than it has ever been in the past, more meaningful in terms of the world in which we live. I think everyone who took part in those meetings was deeply impressed, and in some cases surprised, at the extent to which all 18 delegations sought to find value in this association and sought to strengthen it, irrespective of their background and past history - sought to use it for constructive purposes which could help move the world forward toward the resolution of some of its most difficult problems.

Another noteworthy feature is the fact that the expanded membership has not resulted in a dilution of the intimacy of relationship in contact and discussion which one might have expected following this kind of increase. With such a large membership representing such a wide range of interests, viewpoints and indeed, emotions, one might have expected to find a dilution of the informality and the intimacy of the discussions which used to take place at Commonwealth meetings. Fortunately this does not seem to have happened. I think the Conference of last week and this week may go down as one of the vitally important stages in the evolution of Commonwealth affairs. It is too early, of course, to state with confidence that this will be the case; it depends on what the various leaders who met and conferred together are able to do during the weeks, the months and the years ahead to carry out the substantial measure of agreement which was achieved in London. But I believe the potentiality for a great step forward by the new Commonwealth is there.

Relations Between West and East

As the communiqué indicates -- and I am talking now about the first item on the agenda, which is the usual discussion of the state of world affairs generally -- there was general agreement that the reduction of East-West tension which has occurred has helped to produce solutions to some of the most serious threats to international peace in recent years, and that it at least provides an opportunity to work out some of the problems which remain dangerous and worrisome. At the same time there was general recognition that the competition between the free and the Communist worlds remains a dominant factor in international affairs. Where once this was seen most sharply in the confrontation between the Soviet Union and the Western countries, it emerges now in subtler forms, with competition on the continent of Africa for influence among the peoples of the new countries both within and outside the Commonwealth. It emerges, too, in the relentless pressure of aggression and subversion in Southeast Asia.

In the discussion of the situation in Southeast Asia -- and there was very considerable discussion about it -- there was naturally a great deal of thought about the position of Communist China, which is such a tremendous factor in this whole matter. The view was expressed by the leaders of certain Commonwealth countries -- and it was expressed without qualification -- that the policy of the countries of the West, including Canada if you like, in refusing to extend diplomatic recognition to Communist China was unrealistic and unhelpful, and that it did not assist in reaching a solution to the problems of Southeast Asia, which in this view, and I might add in the general view, could not be solved without the participation of the Government of Communist China.

Those who held this view without any qualification stated that the policy that had been adopted by certain governments was sterile and fruitless, and that the sooner that policy was abandoned and the sooner Communist China was admitted to the United Nations, the better it would be for the solution of outstanding international disputes. This did not imply, on the part of those who held the view, any particular sympathy with the form of government in Peking or with the aggressive policy that China has followed; it reflected, rather, the opinion that the Chinese Government should be in the world forum, where it would have to defend its actions and be subject to the pressures of world opinion.

I understand there was a reflection and a report of these discussions carried by a Canadian newspaper, which said that I had said in the discussions that China -- and these were the words used -- ought to have its place in the United Nations. I did speak along those lines, but that particular report does not reflect what I was attempting to put forward at the meeting. I agreed that conditions should be such that the Government of mainland China should be in the United Nations; but I pointed out to those who held this view without qualification that for many years Communist China was an aggressor in Korea, which was an obstacle to this kind of recognition and admission, and at the present time there is another and important obstacle to this recognition and admission -- this formal admission -- to the United Nations in that there are many governments, including our own, that could not accept the extension of Communist rule from mainland China to Formosa without the approval and consent of the people of that island, and until that difficulty in some form was removed it was not going to be easy to recognize the right of a government in Peking to be the Government of China in the United Nations and extend its authority over the island of Formosa.

Malaysia and Indonesia

The meeting of the prime ministers received a very full report from the Prime Minister of Malaysia, Tunku Abdul Rahman, on the difficulty between Malaysia and Indonesia and the efforts his country had made to end the fighting, through discussion with the Government of Indonesia and other governments. In that connection -- and I think this is a very useful paragraph in the communiqué -- the prime ministers expressed not only their hope for an early termination of a totally unnecessary contest forced on Malaysia by a larger country but gave their support to the Prime Minister and the Government and people of Malaysia in their effort to pressure and maintain their own independence against that kind of pressure. This was subscribed to by all 18 members of the Conference. We will

be welcoming the Prime Minister of Malaysia to Canada in a very few days, and I am sure we will then have an opportunity to express to him the admiration we feel for the strength and patience of his Government in face of the very difficult situation which confronts them.

With seven of the 18 Commonwealth countries now on the continent of Africa, it was to be expected that a good deal of attention would be directed to that vast and important part of the globe, as indeed was the case at the last Commonwealth Conference. The main concern of the leaders of the African countries, as expressed at this Conference, was with two things: first, the attainment of independence for those areas in Africa which still remain under colonial régimes; and second, the achievement of racial equality.

Areas of Racial Inequality

The discussion accordingly concentrated on three areas where independence has not been achieved, or where racial equality is not permitted, or both: the Republic of South Africa, Southern Rhodesia, and the Portuguese colonies of Angola and Mozambique. The African Commonwealth leaders at the Conference argued very strongly -- indeed forcefully -- and very emotionally for the imposition of economic sanctions against the Republic of South Africa in order to bring pressure on its Government to end the policy of apartheid. The communiqué states the reaffirmation, in which all members of the Conference joined, of condemnation by the Commonwealth governments of that policy, a condemnation which was given at the last Commonwealth Conference. However, the communiqué also reflects the doubts of some as to whether a programme of sanctions would be effective and whether, indeed, it might not have adverse results through hardening still further the attitude of the present Government and the white element of South Africa against the racial equality that the African leaders want to see achieved in that country and in Africa as a whole.

As far as our own position, which was put to the Conference, is concerned, we do agree that there should be sanctions in respect of military equipment and supplies. So far as total economic sanctions are concerned, this matter is now before the United Nations. A committee has been set up to investigate the effectiveness of sanctions, and we will certainly wait until we get the report of that committee.

As far as the expulsion, as a form of sanction, of South Africa from the United Nations and from international agencies under the United Nations is concerned, we felt that this was not a very helpful procedure to adopt from the point of view of those who deplore most vigorously the policy of South Africa. We felt it is better to have them in these international agencies, where they can be exposed to public opinion and where their policies can be attacked, than to have them outside of the international agencies, including technical international agencies.

As far as the Portuguese colonies are concerned, the view of the African leaders was clear. They want to see independence for those areas as for the rest of the continent; and in the communiqué there is an expression of regret -- not a very strong expression but a little stronger than it may seem in a diplomatic communiqué covering 18 countries -- that Portugal has not so far recognized the principle of self determination for her territories in Africa.

In its discussion of the situation in Southern Rhodesia, the Conference came to grips in real and immediate form with the problem of race relations. That is a problem which the Conference also had to face in 1961. No more explosive problem can reach the Conference table, and I think it is a tribute to the statesmanship of the African leaders and to the essential moderation expressed by all members of the Conference that the exchange of views on this matter was temperate and constructive, and there could be agreement in a way which reflected itself in the communiqué.

The Canadian delegation, representing a country which is not directly involved in this problem -- and I say "not directly" -- tried to make a contribution which would be objective and helpful in the evolution of our multi-racial community based on racial equality and non-discrimination. A firm stand was taken against racial discrimination and apartheid by the Commonwealth Conference of 1961. At that Conference, Canada played an important and very constructive part. I was glad to pay my tribute to the efforts of the Right Hon. Leader of the Opposition in this matter at that Conference, and I am glad to repeat that tribute at this time.

Challenge of Non-discrimination

I, in my way, tried to follow and reaffirm the position taken then in regard to racial equality. I suggested to the present Conference that we around the table were facing a very important moment of decision which would have far-reaching implications on the future of the Commonwealth, if, at a meeting where the majority of the members were from Asia and Africa, we did not, all of us, in some form meet this challenge of racial equality and non-discrimination. If we could not take a stand; if we could not reaffirm in the communiqué the principles of racial equality and non-discrimination -- if we could not do that, then the Commonwealth was not likely, in the form in which it is now, to go ahead or even to survive. The continuance of racial discrimination and the intensification in many areas of mutual fear between races are both a most disturbing features of the present world situation and a great cause of the difficulty with regard to many remaining unresolved colonial problems. That problem exists in the Commonwealth; it exists outside the Commonwealth.

There has been a good deal of talk about interference or intervention in the affairs of other areas or countries or colonies that were not represented in London; but the British Government, quite rightly I believe -- this is how we came to discuss this matter -- put on the agenda an item, "Progress of dependent territories toward independence". It seemed to us that under that item we should face up frankly to the implications of the subject, and we attempted to do so; I think all delegations did.

Our contribution was to suggest that the Commonwealth might adopt a declaration of racial equality very much along the lines of some of the statements which were made at the 1961 Conference, and that we should reaffirm in our final communiqué the principles for which we stand in the Commonwealth on this matter, principles on which our association must be based in the future if it is to go forward. Then we suggested that from this statement of principles we should go forward to discuss its application to particular problems such as Southern Rhodesia, British Guiana and other areas. The Conference agreed to this suggestion, and the declaration of principles is included in the communiqué.

Southern Rhodesia Problem

We then went on to suggest how these principles should be applied to Southern Rhodesia and British Guiana. The Southern Rhodesian situation is a very dangerous and difficult one. Southern Rhodesia has been self-governing for a good many years in domestic matters. Its Government is responsible to a Legislature which is elected by only a small minority of its population, largely those of European descent. The constitutional responsibility for a change in the situation rests with the Government of the United Kingdom, and all of us at the Conference recognized that the authority and responsibility for leading Southern Rhodesia as well as other colonies to complete independence must continue to rest with Great Britain. There was no difference of opinion on this point. The leaders of the African countries in particular attached great importance to the point that it was Great Britain and not the present Government of Southern Rhodesia which had this power and responsibility.

There have been many suggestions in recent months -- and this was referred to in our discussions -- that the Government of Southern Rhodesia might seek to issue a unilateral declaration of independence without regard to the views of the African parties in that country or the views of the United Kingdom Government. We made it clear in our communiqué that the other governments of the Commonwealth would not be able to recognize the validity of any such unilateral declaration of independence. That was subscribed to unanimously by all governments around the table.

In my own statement at the Conference, I had suggested that it might strengthen the hand of the British Government and might support the moderate elements among Southern Rhodesian voters if all governments at the Conference would let it be publicly known that this was their stand, that many of us feared that unconstitutional action by a minority in Southern Rhodesia would gravely diminish Southern Rhodesia's international status, might lead to economic and political internal difficulties and might also lead to disaster and violence and attempts to organize -- this was mentioned at the Conference as a possible result if something was not done -- a Southern Rhodesian government-in-exile. We felt that such an exacerbation of differences would be a tragedy for all concerned. All the Commonwealth leaders, I repeat, agreed that it would be prudent at this time to take such a stand on this matter and to make it public so there could be no misunderstanding anywhere about the position we would have to adopt if such a desperate and illegal measure were taken.

We also decided to express publicly, and this is in the communiqué, our welcome of the decision of the British Government that for Southern Rhodesia, as for other territories, the existence of sufficiently representative institutions would be a condition of the granting of independence to such a territory. Most of us, including myself, expressed the view that an independence conference should be convened which the leader of all parties in Southern Rhodesia should be free to attend (the expression "should be free to attend", which is in the communiqué, is of some significance because some of the leaders are not free to attend anything at the present time) and that the object of this conference would be to seek agreement on the steps by which Southern Rhodesia might proceed to independence within the Commonwealth, we all hope (and I am now quoting from the communiqué) "at the earliest practicable time on the basis of majority rule".

Of course when you mention the word "time" you really get to the heart of the difficulty, because it is a problem not of objective but of timing. I think we all appreciate that rash and premature action in these matters can cause trouble. We have had some experience of that in recent years. But it was the feeling of the Conference (and I shared the feeling after listening to the views expressed) that the greater danger was not speed but delay, and that unless some early progress is made in Southern Rhodesia the African majority might be driven increasingly to despair and to the acts of desperation that despair can engender.

Moreover, Mr. Speaker, I was very impressed by the warning given by one of the most moderate African leaders that the continued imprisonment of Mr. J. Nkomo and Rev. N. Sithole and many of their associates would weaken the control that the more responsible African leaders have over their followers and would drive the latter toward increasing extremism. I therefore put forward the suggestion that the Commonwealth Conference should issue a reasoned appeal that the African leaders in Southern Rhodesia be released as a contribution toward the holding of those discussions that must take place soon, and on which the hope for agreed and early achievement of independence must inevitably be based. Most of the other prime ministers associated themselves with this idea, and this appeal is included in the communiqué.

At the same time we called upon all leaders and their supporters of both races to exercise moderation and abstain from violence. In this connection I was very impressed by the emphasis placed by the African representatives at the Conference on the importance of allaying the fears of the white minority in Southern Rhodesia, perhaps by saying something in our communiqué to reassure them about their security, and to let them know that their co-operation would be essential in the development of an independent state. We agreed to the inclusion of this point in the communiqué.

I have gone in some detail into this question of Southern Rhodesia because, as I suggested at the Conference, it is of importance far beyond the interests of its people. What is done about it has now become a symbol, and the stand the Commonwealth leaders decide to take on this matter is likely to be, and I am sure will be, considered a test of the seriousness of the Commonwealth members about a principle which we have all adopted and on which we now stand.

Perhaps I should mention also, Mr. Speaker, that, on behalf of the Government, I stated we would be glad to provide technical facilities or resources to help in the training of Africans from Southern Rhodesia to take on the new responsibilities of administration, if that should be desired and if those concerned wished to make arrangements with the Canadian Government. This can be done out of existing appropriations that will be before Parliament or in some cases have been before Parliament, if Parliament approves of them. It can be done, if necessary, by the transfer of some of these appropriations to Southern Rhodesia. We are already doing a good deal in this regard, but I suggested we might do more.

I have taken a good deal of time, Mr. Speaker, in reporting on this question of race relations because at this Conference it was crucial to the success of the Conference. I think the communiqué represents a considerable achievement in regard to the handling of this very explosive and difficult matter.

It will take time to weigh the value of this achievement, and it is foolish to be final and dogmatic in our conclusions at the present time. The long-term assessment of its importance must depend upon the implementation by those concerned of the principles on which we agreed and on the influence on the thinking and future actions of the governments represented in London.

It is still a convention of the Commonwealth prime ministers' meetings that we do not discuss disputes between Commonwealth countries, although that convention is becoming a little shaky in the light of the experience of the last two Conferences. We faced this convention on the question of relations between India and Pakistan, particularly of course in regard to Kashmir. There is no specific reference to this dispute as such in the communiqué, but we were all conscious at the Conference of the importance within the Commonwealth of this dispute, and what a wonderful thing it would be if the Conference could do something to encourage the settlement of this dispute which has been making relationships between the two largest members of the Commonwealth difficult for some years. At the same time we did not wish to do anything by any formal intervention which would make such a solution more difficult. It is rather apparent that at the moment there is not much an outside nation can do, but the Commonwealth Conference gave the two governments concerned an opportunity to talk about this in London, an opportunity which would be easier to take advantage of, perhaps, than by arranging a special meeting at this time in Pakistan or in India. I think some progress was made in that direction.

British Guiana

The Conference also directed a good deal of attention to two localities, small in area but large in problems and in potential dangers, Cyprus and British Guiana. The paragraph in the communiqué on Cyprus includes an appeal to the countries concerned -- and we had in mind particularly the countries most concerned, Greece and Turkey -- to refrain from any action which might undermine the task of the United Nations Peace-keeping Force to which members of the Commonwealth are contributing, or might prejudice the endeavours of the United Nations to find a solution in conformity with the Charter of the United Nations. So far as British Guiana is concerned, it is almost a hopelessly confused situation down there, and it is very difficult indeed to see what can be done by the intervention of the Commonwealth to clear up that confusion, remove the danger and bring back some order to that very distracted colony.

It was suggested at the Conference that perhaps the United Nations could move in there and in some way hold the line while elections were being held. But it became clear from the evidence we received that the basic difficulty, and the underlying danger in that difficulty, is the fact that there are two parties in British Guiana organized completely along racial lines, one Indian and one African, and that the leaders of these parties are getting their support entirely from one race or the other. This has aroused emotions, prejudices and fears that can only be removed by some kind of arrangement between the leaders to bring the people together in the way they used to be together before this division occurred. There is no difficulty about independence. The British Government is only too anxious to give this colony independence as soon as any government can assure order. In our communiqué we made an appeal to the leaders of the two parties, that is the leader of the two races, to get together and do something about this.

There was considerable discussion of trade and economic questions, but I do not propose to go into those in any detail. They are referred to at some length in the communiqué, and the substance of the matters dealt with in our discussions has been covered in reports to the House by the Minister of Finance and the Minister of Trade and Commerce at various times during this session. The developing countries attach the very greatest importance, according to their statements and according to their policies, to the United Nations Trade Conference which has been meeting in Geneva. They called attention to the fact that, along with race relations, one of the serious problems and dangers in the world today is the division of nations into the "haves" and "have-nots". We all know that. We have been aware of this for a good many years. However, it was pointed out that this division now sees the "haves" almost entirely synonymous in their view with the whites, and the "have-nots" clearly synonymous with the other races of the world.

This lends sharpness to racial as well as economic tensions. The developing countries were at pains to emphasize that, while they appreciate the technical and financial help, what they appreciate even more, and I think we can sympathize with them in this, is improved terms on trade for their primary products exports and increased access to the major markets by the developing countries for such manufactures as they are able to produce and will presumably increasingly produce in the future.

Now, Mr. Speaker, there are in the communiqué a number of proposals for increasing co-operation in the technical and economic fields inside the Commonwealth. There is the proposal, for instance, for working out a scheme of Commonwealth development projects. We have already some of these under the Colombo Plan. There is, I believe, one project in Pakistan now which has been organized and worked out by three Commonwealth governments. It was thought perhaps we could extend that. A proposal was made by the British Government to that effect.

There was also a proposal for helping new countries by giving administration training to those who will be responsible for administering their governments at a time when there are very few natives who have that experience. At the same time, we realized that a good deal of this is being done now by separate Commonwealth governments. To set up some new, large Commonwealth administration in London might be confusing rather than helpful in this regard.

Then there was a proposal for establishing a Commonwealth foundation to administer a fund for an increasing flow of information and contacts in professional fields. There was a proposal to increase the resources available to the Commonwealth Parliamentary Association and give it an opportunity to do even better work than it has done in the past. There was a proposal put forward by Canada to establish consultation and to help the developing countries in the field of satellite communications. That was received with great interest and is going to be examined.

There was one other proposal, which appears at the end of the communiqué, which in some respects is the most interesting of all the concrete proposals made. It became quite clear from the beginning of the Conference that there was a strong desire on the part of the newer countries of the Commonwealth, the new African countries, to have some kind of Commonwealth machinery, some kind of Commonwealth institution, a Commonwealth secretariat, established for the service of the Commonwealth as a whole.

Commonwealth Remains Vital

When I say this proposal was in a sense surprising, we remember it is not long since proposals for a secretariat were regarded with fairly general suspicion as a reflection of a tendency toward centralization, which in those early days was interpreted as meaning rule from Downing Street. It is significant, then, to realize that the pressure toward this kind of consultative centralization, if you want to call it that, comes from the newer countries, which in many ways are or should be most suspicious of the older members in this regard, but have no fears of any such implications from a proposal of this kind. They are very much aware of its practical value to them in providing a broad range of information which it is difficult for them to obtain with the inadequate diplomatic and government services they now have or perhaps can afford; and so we supported this proposal.

I think the situation has changed a great deal since the early days, and it is something we should try to work out on a genuine Commonwealth basis. Yet, at the same time, this should be done without interfering with the existing channels of communications, without confusing what is already in many respects a very satisfactory method of co-ordination and exchange of information. We must be sure the basis of this new secretariat is sound, and that we are adding an institution of value and not simply an additional agency available for the free play of Parkinson's Law; but we will be glad to take part in the study of a possible basis for such an organization, which will be taking place very shortly.

Mr. Speaker, in recent years fears have been expressed -- and they were certainly expressed on the eve of this Conference -- that the Commonwealth had outlived its real purpose and had become simply an amiable club with no real objective, depending largely on the emotional recollection of past imperial greatness. I believe the recent Conference has shown that those fears are unfounded, and that the sense of the value of the new Commonwealth is felt most precisely and most importantly where one might have thought there would have been the greatest doubt; that is, among the new countries in Africa and Asia. They recognize in the Commonwealth an agency of real value to them, and we must try to keep it that way. They realize that it can provide a bridge between the continents and between the races and this, I think, is going to afford a great new role for the Commonwealth in the years ahead. In a world in which the associations of peoples and nations are all to frequently on the basis of a common ideology, a common race, a common language or a common geographical location, there is, I submit, a unique merit in an institution which transcends all of these and brings countries together on a wider basis than the ones I have mentioned, on a basis which is really founded on a common adherence to human rights and free institutions and a desire to settle our problems by consultation, co-operation and agreement.

One of the most impressive political figures it has been my privilege to meet for some years ... was the Prime Minister of Nigeria, Sir Abubakar Tafawa Balewa, who suggested, in what I thought was a very profound statement to the Conference, that it would be well for this new Commonwealth to try to work out a statement of general principles on which it stands and on which it could go forward, not only a statement of principle of racial equality but a statement of general principles, and include in these principles this adherence to free institutions, this respect for basic law and basic rights, as well as respect for racial equality and non-discrimination. In serving these principles

and in providing a forum for an intimate and friendly exchange of views among virtually all races of mankind, the Commonwealth is embarking on a new era in which it could have, and I hope it will have, a value broader and deeper than it has had in the world at any time in the past.

May I conclude, Mr. Speaker, by reading just one short sentence from the communiqué which expressed that point of view. Referring to the Commonwealth, the communiqué says:

"It is, indeed, a cross-section of the world itself; and its citizens have an unparalleled opportunity to prove that, by mutual co-operation, men and women of many different races and national cultures can live in peace and work together for the common good."

S/C



CANADA

Gov. Doc
CAN
E

CANADA, EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/16

LATIN AMERICA: CHALLENGE AND RESPONSE

Text of a Speech by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Second Annual Banff Conference on World Development, August 24, 1964.

... You have taken the interesting and significant theme, "Latin America: Challenge and Response". I have no doubt that you will deal with it in a manner worthy of Arnold Toynbee, whose language you have used in this title. While there are other areas which have captured the headlines in recent weeks, and notably the Cyprus crisis, it seems to me that for Canadians there can be few regions of the globe which should command more attention than Latin America. For far too long, although for understandable reasons, the attention of Canadians has often tended to concentrate on Western Europe, and on the Commonwealth. Even in this hemisphere our good friend and neighbour the U.S.A. has sometimes by its size and importance obscured our view of Latin America.

In rough terms the population of Latin America is now over 200 million, rather more than that of the United States and Canada together. However, the demographic projections of United Nations experts indicate a very different situation by the end of the century. Latin America may then contain up to 600 million people, while North America will have not much more than 300 million. This fantastic population increase - the highest rate of any region in the world - cannot fail to add to the relative international importance of Latin America. There is reason to believe, however, that it will at the same time increase its serious economic and social problems. Very great economic growth will undoubtedly result but, when considered in relation to population, the material benefits may well fall short of popular expectations.

The prospects for Latin America are thus both promising and disturbing. It is because the outlook is uncertain that I consider Canada and Canadians have an obligation to study and to assess sympathetically the significance of developments in Latin America. Some months before his death, President Kennedy declared: "I regard Latin America as the most critical area in the world today." In a recent article, Senator Hubert Humphrey, a member of the United States Senate Committee on Foreign Relations, took this

statement as his text and wrote: "While the internal political, social and economic patterns of Europe are well determined by now, this is not the case with Latin America. The future structure of society and the external policy of Latin (American) nations remain unanswered questions." Senator Humphrey went on to develop at length the thesis that Latin America should be given the first priority in U.S. foreign policy.

Canada is not in the same position as the United States, either in terms of power or geographical location, but I would agree that Latin America should be given a prominent place in Canada's external relations such as it has not, generally speaking, enjoyed in the past. This has been my view for some time.

The Latin American area is one which has been sadly neglected by our schools, colleges and newspapers, but there are hopeful signs that this situation is changing. For example, a year or so ago a Canadian journalist, Gerald Clark, wrote a book on Latin America and gave it the title "The Coming Explosion in Latin America". Very recently one of our newspapers has decided to station a correspondent in South America. There are indications that in our university world more attention will be given to Latin America, its history, its economic and social problems and its cultures and languages.

The Canadian Presence in Latin America

As is well known, there has been significant Canadian investment in Latin America, some of which dates back many years. The best known case is the substantial investment in public utilities in Brazil, though there is also Canadian investment in electrical enterprises and mines in some other countries. At one time, some of our life-insurance companies were active in the area, but this has been less so in recent years. Several of the Canadian banks are represented in Latin America, notably in the Commonwealth countries and territories of the Caribbean, but also in the island and neighbouring mainland republics.

Our trade with the Latin American republics - that is, apart from what we formerly called the West Indies - was valued at some \$650 million in 1963, about \$270 million being Canadian exports and \$380 million imports. Of the latter, it is only right to point out, to keep things in proportion, that nearly two-thirds of our imports from the area consist of petroleum products from Venezuela. Our total commerce with the Latin American republics constitutes only 4 or 5 per cent of our world trade, but I consider it has greater significance than this figure might suggest. For one thing, we have interest in diversifying our trade outlets so that they are not confined to a very few, though important, markets. Furthermore, because of the economic potential of Latin America, I think that the area deserves our special attention so as to establish a basis on which to build in the future.

It could be added that Latin America has received a very large share of the total of export financing provided by the Canadian Government through the Export Credits Insurance Corporation. Some \$100 million of such credits have been extended to four Latin American countries in the past three years, notably for paper-mill equipment and related engineering services in Chile and for locomotives and rails in Mexico.

One of the most significant elements of the Canadian presence in Latin America is the number of Canadian missionaries in the area. There are now some 1,500 Canadian Catholic missionaries serving throughout Latin America. These include parish priests, members (both men and women) of teaching orders, nursing sisters, and social workers. This is a development of quite recent years - indeed, much of it over the last four or five years. The majority of the Catholic priests and nuns are French-speaking Canadians, although there are a number who are English-speaking.

I should also mention that the Canadian Protestant churches are also active in Latin America, notably the Baptists, who have been in Bolivia for some 60 years. Various evangelical churches run hospitals, schools and other institutions.

There is, naturally, a special affinity between French-speaking Canada and Latin America. We share the same broad Latin culture. The Province of Quebec, also, has a further link through its legal system which, like that throughout Latin America, is founded in Roman Law and is largely codified in accordance with the common model of the Code of Napoleon. The French-speaking Canadian can often, more readily than his Anglo-Saxon fellow citizen, learn the two great languages of Latin America, Spanish and Portuguese. These factors taken together constitute a most valuable asset for Canada in its dealings with Latin America of which we are making greater and greater use.

Increasing interest is being shown by Canadians in the numerous professional, scientific and other learned conferences of the Americas. Because this is an activity in the private sector, it is rather difficult to tabulate and measure. One thing is certain - whenever Canadians have gone to these non-official conferences of an inter-American character, they have been given a very warm welcome. I was interested to see a little item the other day to the effect that Canadian medical schools were participating in a Pan-American Federation of Medical Schools and at this moment are being represented at a meeting in Brazil by two deans of medical faculties, one French-speaking and one English-speaking.

I should hope that our universities, professions and intellectual groups would deliberately take a more active interest in the organizational and institutional life of our hemisphere as a whole. While governments can lead and can do much, a broad and firm public interest in an area like Latin America requires, to an even greater extent, active participation of Canadians in terms of their occupations and their cultural pursuits. There is a need for closer relations within the hemisphere on a people-to-people basis, and

I should hope that this conference would be one means by which wider Canadian interest in the area would be developed.

Governmental Activities

By the end of 1961, Canada had established formal diplomatic relations with all the republics in Latin America. This, of course, included, and still includes, Cuba. This process started with the establishment of missions in Argentina and Brazil early in 1941. There was a commercial representative in Buenos Aires even before 1900 and trade commissioners in several of the major capitals before the First World War. There are now 14 resident diplomatic missions, apart from the three offices in the Commonwealth Caribbean.

Also in 1961, Canada became a full member of the United Nations Economic Commission for Latin America, following a period of observer status. This, of course, is one of the four Regional Economic Commissions of the United Nations. Since then, Canada has regularly attended its meetings at its headquarters in Santiago, and has gone to its major conferences elsewhere.

Canada became a member of the Postal Union of the Americas and Spain as early as 1931. This is a regional organization linked with the Universal Postal Union but not associated with the OAS.

Some inter-American conferences are convened on a non-OAS basis and have been attended by Canada. Perhaps the most recent example of this type of conference was the meeting of the governors of the central banks of this continent in Guatemala last April. The Governor of the Bank of Canada attended, played an active role and was elected to the agenda committee for the second meeting, to take place a year later.

Over the years a number of Canadian cabinet ministers have made visits or special missions to Latin America. I have tentative plans for a visit to several Latin American countries around the end of this year and I know that other ministers would like to visit particular countries or areas. We must broaden our contacts with Latin America.

In turn, we have had in the past a number of distinguished visitors from Latin America. The most recent was a visit in July of the Venezuelan Minister of Mines and Petroleum. He held talks with many persons in Ottawa, mainly in connection with the export of petroleum products from his country to Canada, a matter of great importance to the Venezuelan economy.

Canadian Participation in the Inter-American System

The OAS is the senior political body of a complex of organizations and agencies which has been called the Inter-American System. Canada had had rather more association and experience with these institutions than is usually thought to be the case. Canada is a full member of three agencies linked with the OAS: the Inter-American

Radio Office, since it was formed in 1937; the Inter-American Statistical Institute since 1943, shortly after it was created; and the Pan-American Institute of Geography and History, since 1961. It has also sent observers to conferences of other specialized organizations and agencies concerned with such varied matters as public health, Indian affairs, and the peaceful uses of atomic energy.

Canada has sent delegates or observers to an increasing number of conferences called by the OAS in various fields of transportation and communications. For example, a few weeks ago, Canadian officials went to the second meeting of experts on civil aviation, which met in Santiago.

Consideration is given from time to time to the possible participation as members or otherwise in some of the technical functions and activities of bodies related to the OAS of which Canada is not already a member. The decisions depend both on the Canadian interest involved and the extent to which we can make a useful and effective contribution.

A Canadian observer group attended a special meeting of the Inter-American Economic and Social Council (one of the important organs of the OAS) held in Uruguay in 1961, at which the Alliance for Progress was launched as a co-operative programme of self-help, local reforms, development plans and outside financial and technical assistance. Since then, Canada has been represented by observers at the annual meeting of the Inter-American ECOSOC.

Economic Assistance

Last November, I announced that the expanded programme of Canadian economic assistance to under-developed countries would include additional lending resources which, in the case of Latin America, would be provided in close co-operation with the Inter-American Development Bank. Discussions have been continuing with this institution on the provision of development loans to Latin America, and it is expected that some mutually satisfactory arrangement will be worked out.

This audience will appreciate, of course, that Canada contributes in a substantial way to the various programmes of technical assistance and economic aid of the United Nations. This international aid flows in part to Latin America as one of the major under-developed areas of the world. We have not, up to now, had a separate government-to-government assistance programme for the Latin American countries. The programme of so-called "soft" loans for development purposes which I have referred to will be the first step in this direction. Over a period of time - subject, of course, to our capacity on an overall basis to give assistance abroad - more Canadian aid in various forms can be expected to flow to Latin America. I would also hope that more could be done in the future in the field of cultural relations by promoting the exchange of visits and by providing scholarships.

United Nations

I would be wrong if I did not draw special attention to the close co-operation which has existed between Canada and Latin American states at the United Nations and in other international bodies. Latin American statesmen have played outstanding roles in many of the United Nations organs. The names of Galo Plaza of Ecuador, Padilla Nervo of Mexico, Sosa Rodrigues of Venezuela (the current President of the General Assembly), Victor Belaunde of Peru, José Figueres of Costa Rica, Raul Prebisch of Argentina (the Secretary-General of the UN Conference on Trade and Development) and many others are known throughout the diplomatic world for statesmanship and forthright idealism.

Brazil has made a very significant contribution to the work of the UN Force in Gaza, where General Chaves of Brazil, who has unfortunately just fallen ill, has been the Commander. Brazil has also taken part in the Congo Force. Argentina and Ecuador participated in the Congo and Argentina, Chile and Ecuador in the Lebanon operation. Colombia participated in the UN action in Korea.

On many other issues at the United Nations Canada and Latin American countries have worked closely together. It would not, I think, be wrong to say there have been times when Canada was regarded as an honorary member of the Latin American caucus. We share a history with these countries which links the Old and the New Worlds in a way which has often resulted in opportunity for useful initiatives.

Commonwealth Caribbean

To round out the picture of Canada's role in hemispheric affairs, something should be said of our association with the Commonwealth countries and territories of the Caribbean. Historically, Canada has been closely associated with what was formerly referred to as the British West Indies. We have had special preferential trading arrangements and close educational links with Jamaica and Trinidad. These countries have now emerged as sovereign states and are members of the United Nations. Other territories, such as British Guiana, are approaching independence. The Honourable Milton F. Gregg was recently appointed Canada's Commissioner in British Guiana. It is natural and appropriate, therefore, that we have made a special effort to extend both technical and capital assistance to the independent Commonwealth countries in the Caribbean and to those which are moving towards independence.

Entry into the OAS

On the fundamental question of the membership of Canada in the Organization of American States my own views are well known. There are, of course, many factors that have to be examined closely in reaching a decision on such an important matter. Among these is the curious situation that the OAS does not at present have any established and agreed procedure for the admission of new members.

This is of interest not only to Canada but also for the newly-independent Commonwealth countries in the Caribbean, Jamaica and Trinidad, as well as those quasi-independent territories which may be expected to emerge to independence in the future. This is one of the aspects to which we are giving special attention. We also have to weigh the responsibilities and obligations Canada would assume on joining the OAS in relation to other demands elsewhere in the world on our resources.

Meanwhile, we are exploring ways whereby a closer and more effective association might be developed with the OAS secretariat and some of the other related agencies to which I have already referred. Merely joining the OAS will not in itself work wonders; what will matter most is the extent to which we show ourselves prepared to co-operate in practical ways with other countries in the hemisphere. We can do - and in fact are doing - a good deal even without being a member. We should not become so preoccupied with institutional questions that we overlook opportunities which may in the meantime present themselves for worthwhile co-operation or that we forget how much we are already working with our friends in his hemisphere.

I have indicated the extent to which Canada is already taking an active interest in a variety of practical ways in Inter-American affairs. Some of this activity is within the framework of the OAS and some of it outside the OAS. Membership in the OAS would present obligations as well as advantages for Canada. I do not wish to leave the impression that Canadian membership in the OAS would be without difficulties. Nevertheless, I consider this to be part of the ultimate destiny of Canada as a country of this hemisphere.

Conclusion

At the United Nations, at NATO, indeed at every international meeting in which Canada takes part, we are confronted with dramatic evidence of the growing inter-dependence of the individual members of the world community. Canada has consistently taken the position that we must recognize and accept this inter-dependence even when it means the maintenance of relations with states whose ideologies we oppose with every strength at our command. Canada has also recognized and, what is more, impressed on other governments as best we can, that a crisis in one area involves all areas. Recent events in the Far East, on Cyprus and, of course, with respect to Cuba have, I trust, brought home to every nation the need in a nuclear age to ensure that we assess the consequences of our actions with full awareness of their international implications.

I can assure you that events in Latin America are now being given due weight in the conduct of Canadian foreign affairs. We are considering here today the future of our relations with a great continent of nations. Changes in these relations must, of course, be made with care and deliberation. There is no doubt that many changes have already taken place but even greater changes than we have yet seen will and must occur. Canada's economic and political

ties with Latin America are developing rapidly. Individual Canadians are coming more and more to appreciate the importance of this area for the future of our own country. As your theme suggests, this situation presents an obvious challenge to Canada.

I believe Canadians are beginning to respond to that challenge. We are responding through official channels and through unofficial channels, through governmental action on aid and trade and institutional questions and through non-governmental action in a religious, commercial or an individual context. This group and other similar bodies can, by study and informed judgment, make a vital contribution to the stand which our country takes in international affairs. I am sure that through all these efforts we shall be able to continue to take a constructive and forthright part in the councils of the world in pursuit of the objectives we share with the peoples of Latin America and with the peoples of other areas of the world, a stable and prosperous world society. Canada has an established record of honouring its obligations and of recognizing its opportunities in foreign affairs. I am confident we shall maintain and improve this record in Latin America.

S/C



CANADA

Gov. Doc

Canada External Affairs, Department of.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/17 EDUCATIONAL CO-OPERATION IN THE COMMONWEALTH

A Statement by the Secretary of State for External Affairs, the Honourable Paul Martin, at the Plenary Session of the Third Commonwealth Education Conference, Ottawa, August 27, 1964.

* Indicates paragraphs delivered in French.

I wish to place before this Third Commonwealth Education Conference the position of the Government of Canada on some of the vital issues you are discussing.

The Commonwealth association provides an incomparable basis for co-operation in many differing fields of endeavour. Twenty years ago, it was commonly thought that the strength of the Commonwealth lay in the "like-mindedness" of its members - then few in number, and all countries whose populations were largely of European origin. Today the strength of the Commonwealth lies to a very great extent in its diversity.

We can see clearly the turning-points in the recent history of the Commonwealth. One was symbolized by the decision of India to maintain its membership in the Commonwealth when that great country became a republic and by the agreement of the other members to welcome India under these circumstances. A second turning-point resulted from the stand taken on apartheid. I think that another important stage was reached this year when the Prime Ministers subscribed to a declaration of racial equality put forward by the Prime Minister of Canada. They agreed that the Commonwealth has a particular role to play in the search for solutions to the inter-racial problems which are threatening the orderly development of many areas in the world.

From another standpoint, the inauguration of the Colombo Plan in 1950 was a turning-point because of the concentration of the members of the Commonwealth, in the years which followed, on problems of economic development. Although the Colombo Plan has been enlarged to include other countries of South and Southeast Asia (and we have taken special interest in the countries of Indochina), Canada's main effort has been centered on the Commonwealth countries.

The Commonwealth has thus provided for us in Canada special connections with countries in far continents and has helped us to see beyond our own borders, our own continent and our essentially European traditions. It has increased our insight into the values of other civilizations and societies and our understanding of the aspirations of the peoples of Asia and Africa. I believe that in this process others have come to know us better. In an era when nationalism sometimes breaks the bounds of reason, an association which stimulates international and intercontinental understanding is invaluable. The Commonwealth has been, remains, and will be a basic element in Canadian foreign policy. The Ottawa Conference provides dramatic evidence, if such is needed, of its essential meaning. The real values of the Commonwealth lie not always in what we say but more often in what we do. We are discussing at this Conference the challenges which the newer member countries are endeavouring to meet in the field of educational development. I believe we are coming to understand these problems more fully.

* Thus the Commonwealth has helped us to understand ourselves and to find solutions to our own problems. As you are already aware, Canada is a land of contrasts, and its most important feature is, in my opinion, its bicultural character. You have probably been more familiar with the educational system of English-speaking Canadians, and I am sure that many of you were unaware of the excellent system that is being organized for French-speaking Canadians. As the Honourable Gérin-Lajoie told you himself last Saturday in Quebec City:

* "We know that education, by providing Quebec with the skills it will require, will ensure the continuity of its growth. Education will also enable Quebec to assert itself more effectively, to increase its contribution to the welfare of our country, and to occupy its rightful place in the Canadian federation and in the world."

* It is not without some pride, therefore, that I emphasize the fact that Canada can offer to its students, at the elementary, secondary and university levels, valuable instruction in French and in English.

* Up to the present, our efforts in the field of educational assistance abroad have been directed mainly toward Commonwealth countries where we have sent teachers of mathematics, science, industrial arts, and of French or English as a second language. However, in April 1961, the Canadian Government decided to organize, for the French-speaking countries of Africa, a bilateral plan of co-operation similar in principle to that which is applied in Commonwealth countries. With an annual grant of \$300,000, a programme of assistance was set up the main objective of which was the assignment of Canadian teachers at the secondary-school level. The recruiting of our teachers went on successfully thanks to the joint efforts of the External Aid Office and the Department of Education of the Province of Quebec. Here I should like to mention the gesture of the

Government of Rwanda in entrusting the Very Reverent Father Levesque with the founding of a national university and appointing him the first rector of that university. Such a gesture constitutes an uncommon evidence of appreciation and trust concerning the ability of Father Levesque and of French-Canadian teachers generally.

Up to the present, it seems to me that the countries participating in the Commonwealth Scholarship Programme have not taken full advantage of the facilities of Canadian French-language institutions, particularly with respect to the teaching of French as a second language and the teaching of other subjects in French. We hope that the possibilities for such French-language training in Canada will be more fully used in the future.

In my own experience I have found, in almost every discussion with leaders of the developing countries, that the importance of assisting their educational facilities has been emphasized again and again. Only by raising the level of understanding amongst the nations of the world can there be any enduring hope of establishing the kind of relations between governments which will make a durable peace possible. We have also come to realize, and chiefly since the end of the Second World War, that the economic and social advancement of the less-developed areas of the world depends on broadening and improving their educational facilities.

As Canadian policy on this and on other aid questions has developed, we have, of course, constantly kept in mind the basic principle governing our aid programmes. This is that priorities for the assistance we are able to provide must be established by the receiving countries themselves and that for all projects, and during all the stages of their implementation, there must be the closest and fullest participation by both the donor and the receiving authorities.

During the past three years the Canadian Government has steadily and substantially increased the educational aspects of its external-aid programmes. In the fiscal year 1963-64 expenditure on educational projects has increased almost four times over the expenditures for 1960-61 and reached a level representing just under 20 per cent of the total expenditure under Canada's bilateral-aid programme. The importance of this figure is clearer when it is realized that most of these expenditures are for the provision of personnel, in contrast to the much greater sums involved in large capital projects. It is expected that this trend will continue and that increasing amounts of aid funds will be used to meet requests for educational assistance. In addition, we have accepted commitments in the current fiscal year for capital projects in the education field estimated to cost over \$4 million.

Last November I announced, in the Canadian House of Commons, an expanded programme for assistance to the developing countries (primarily to those in the Commonwealth). This programme is expected to reach a total of approximately \$200 million in the fiscal year 1964-65. Under the Colombo Plan, the Commonwealth Caribbean Programme,

the Special Commonwealth Africa Aid Programme and the programme for which this Conference is responsible, detailed negotiations with all the governments and authorities concerned are taking place to determine the best possible allocation of the available funds.

I have spoken so far in terms of expenditures. I should also like to describe some of our more important experiences with the actual operation of our programmes. The number of Canadian teachers and teacher trainers who have served in Commonwealth countries has increased fivefold in the last four years, and in 1964 will reach a total of 214. Over and above this, it is anticipated that there will be 30 Canadian university professors serving in Commonwealth countries next year. In the same four-year period, the number of training programmes arranged in Canada has moved steadily upward, from 711 in 1960-61 to over double this figure in the current year. We have assisted with the building and equipping of schools and teacher-training centres, and we have helped with the establishment and development of university faculties.

Some of the Canadian university professors have been assigned on the basis of individual contracts and others have been sent out as members of a team under a general contractual arrangement with a particular university. This brings important advantages both to the Canadian universities and to the developing countries. On the one hand, it provides a flexible method of administration; on the other, it lays the basis of important continuing links between Canadian universities and universities in the developing countries.

This kind of arrangement is, in fact, an illustration of the composite type of project we have emphasized in educational aid. These projects involve an attack on several fronts, by providing buildings, equipment, and Canadian teaching staff abroad and related training facilities in Canada. In appropriate circumstances such projects have the maximum favourable impact on local education facilities and are, as a result, particularly welcomed by the developing countries.

I know that the problems of training have occupied a good deal of attention during the deliberations of this Conference so far, and I should like to refer to the Canadian experience in this particular field. Our basic objective is, wherever possible, to assist training institutions in the students' home countries. We have done this either by strengthening existing facilities or helping to establish new ones. We shall, of course, continue to provide training in Canada for students from the developing countries until local facilities are able to meet local needs. In our programmes we have placed particular emphasis on group training. Although individual programmes will doubtless continue to be required, our experience has been that group programmes in many cases meet the students' needs more effectively. We have, as a result, undertaken in various institutions across Canada group training programmes in various fields, including public administration, co-operatives development and labour-leader training.

We have also found that skilled sub-professional areas of training represent a particularly important contribution to manpower needs in the developing countries. We therefore offered last year, for the first time, trade and sub-professional programmes of one or two years duration. An additional year of technical teacher training was offered as part of these arrangements.

A review of Canadian experience with the operation of our educational assistance programmes would not be complete without reference to the important fact that, under our Constitution, education is an exclusive provincial responsibility. Consequently, Canada could not have enlarged its educational programmes to the extent so far possible or maintained our standards of performance had it not been for the generous co-operation of provincial educational authorities and of the many individuals and public and private organizations in the field of education across Canada. In stating the Canadian Government's gratitude to provincial governments, to individuals and to groups, I should like to express the hope that they will be able to offer the same measure of assistance in the future.

The Canadian Government, which put forward the concept of a Commonwealth Education Programme at Montreal in 1958, has thus attempted to proceed along useful and, I hope, practical lines in response to demonstrated needs. The framework within which Canadian aid is provided comes, of course, under constant review so that advantage can be taken of new developments and of opportunities to make the programme even more responsive to the needs of the developing countries. The following are some of the steps we have taken recently:

First, Canada has agreed to the use of counterpart funds, which arise from the sale of Canadian products and commodities supplied under Canada's assistance programmes, for educational purposes. We would readily consider the increased use of such funds for educational projects. This is one of a series of measures designed to add still further to the utility of the increased aid funds we are making available.

Second, I am also pleased to be able to announce that the Canadian Government will, for the first time, be assisting the African Students Foundation, a national organization which has brought more than 125 African students to Canada during the last four years.

This year, 12 students who have studied in Canada under the auspices of the African Students Foundation will graduate from Canadian universities. The organization anticipates that, in 1965, 22 will graduate; in 1966, 37; and in 1967, 28. The organization has also done a great deal in providing assistance for other African students who have come to Canada under their own auspices.

The Government's assistance to the African Students Foundation will take the form of provision of transportation for this year's students who are coming from Africa to Canada in September of this year. This measure represents a further step in our policy of

encouraging an active partnership between the Government and the voluntary organizations in Canada working in the field of international development.

Finally, I should like at this time to announce that the Canadian Government will institute a programme of senior fellowships and visiting educationalists' awards to be financed out of the increased appropriation already approved for the Commonwealth Scholarship and Fellowship Plan for the fiscal year 1964-65. This will be over and above our commitment at the Oxford Conference to make available one-quarter of the total number of scholarships under the Commonwealth Scholarship Plan. We have made remarkably good progress in fulfilling this objective and the target of 250 is now in sight. It therefore seems particularly appropriate to embark on a senior fellowship plan.

This will undoubtedly be recorded as an important and rewarding meeting. We are proud, as Canadians, to welcome such a distinguished group of educators, to share our experience with you, and to profit from the knowledge of education in all its aspects which you bring to us. This gathering represents the Commonwealth at its best and will surely serve to strengthen the value and the meaning of Commonwealth ideals. Our work constitutes a constructive, practical and forward step in the direction of shared educational resources within the Commonwealth. Education, the symbol of hope for mankind, is the only firm basis for progress toward that ordered and peaceful world we all hope to see established for this and future generations.

S/c



CANADA

Gov. Doc

can

E

Canada External Affairs Division
CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 64/18

JAPANESE - CANADIAN RELATIONS

Speech by the Honourable Paul Martin,
Secretary of State for External Affairs,
to the Canada - Japan Society, Tokyo,
September 7, 1964.

It is a great pleasure to address this distinguished gathering. I feel particularly privileged to be able to do so to a group such as the Canada - Japan Society, which represents, probably better than any other organization, the true links between our two countries. No matter how important our diplomats consider their hurrying and scurrying to be, their work would all be in vain if it did not assist in the establishment of ties such as the ones you are maintaining. Your contacts with Canada are what I should call the working-level lines of communication between Japan and Canada.

While it is true that our countries have a number of abstract, ideological ties that bind them (a faith in democratic institutions, love of freedom, respect for social and technological progress and dedication to peace), it is the flow of traffic you conduct across the Pacific that provides the substance for these ties. The economic, trade, educational and cultural relations which you are developing daily between Japan and Canada are, in fact, the life-blood of Japanese - Canadian relations. For ideals are meaningless, even ideals common to different countries, unless they are built upon and put into action by individuals.

We are happy to be here at a time we consider to be a turning-point in the development of transpacific relations. The post-war period in international relations is now a thing of the past. The period of reconstruction that followed the Second World War and was accompanied by a re-formulation of links between free countries is now one of the aspects of the immediate past everyone can take for granted.

New Stature of Japan

Nowhere is this better exemplified, I believe, than in Japan. The pace of activity, the dynamism and zeal I have witnessed on every hand wherever I have gone in the past few days, have left me with the overall picture of an incredibly vigorous country. All the signs of activity we have seen are not

signs of reconstruction, but signs of a most farsighted and deliberate development of a nation. It has been exciting for me to be able to look in briefly on the growth of a modern Japan. Everything I have seen -- from the memorial at Hiroshima to the triumphant Olympic Stadium -- has impressed upon me the dimensions of the new stature Japan has achieved.

The remarkable preparations being made everywhere for the forthcoming Olympic Games have left me with no doubt that this great international event will have a most decisive symbolic value for the Japanese nation as a whole. I have been very interested to note that the symbolic value of the Olympics is deeply appreciated throughout the country. There is, of course, a very good reason for it -- this event will convince the entire world of the tremendous capabilities of this nation and the forward-looking attitude with which these capabilities are being put into action. Above all, I can think of no better place in the world where this event can take place and illustrate so effectively that the post-war era is closed and that a new era of development and imaginative construction is upon us.

In Canada, and in North America as a whole I might say, we too have for some time ceased to think in post-war terms -- even "cold war" is rapidly becoming old-fashioned.

No Contracting of Horizons

But this is not to say that, now that we have entered an era where peace is relatively more secure, now that we are in the throes of exploring the avenues which prosperity can open to us, we can shorten our individual national horizons and seek to exploit the present era of international fluidity for short-sighted, self-seeking national aims only.

For we shall have learned nothing from the past if we do not now realize that the future of every country depends on the future of all countries, and we shall have forsaken the future if we forget the lessons of the past and do not act in the interests of mankind.

Japan and Canada are perhaps in a chosen position to awaken the world to the possibilities of constructive interdependence, of meaningful, concerted action among countries who have learned to co-operate, partly through necessity but largely through a common desire to preserve peace in this world. In our respective positions vis-à-vis each other and vis-à-vis our mutual partner the United States of America, we have a unique opportunity not only to influence each other to our mutual advantages but also to widen our perspectives in a significant way -- of the Western Hemisphere through the United States' role in NATO and the OAS, of the Commonwealth through Canada's membership and, perhaps most important of all, of Asia through the respect and admiration Japan is acquiring throughout this continent.

Europeans, Western Europeans that is, have for some time now been moving toward a greater unity among themselves. The Canadian point of view, however, is that such steps toward unity should not stop at continental boundaries. We have consistently supported the idea of an Atlantic Community and we consider

that, through a corresponding strengthening of ties across the Pacific, we can look forward in years to come to the development of a true world-wide community of freedom-loving countries.

A North Pacific Triangle

These are not merely generalizations, they are based on contemporary facts. Ever since the early fifties, both the United States and Canada have recognized the common interest they have with Japan in preserving and strengthening democratic institutions throughout the world. Ever since Japan's admission to the United Nations in 1956, as a result of an initiative with which I am very proud to have been associated, the spheres of co-operation have grown so rapidly, both in number and in substance, that we have now reached a point where we may consider ourselves a unique transpacific partnership -- forming an increasingly visible North Pacific Triangle.

Some years ago a Canadian historian wrote a book tracing the historic relations among Canada, Britain and the United States. He called it the "North Atlantic Triangle" and he showed how important this triangular relationship had been to the three countries concerned. I hope some Canadian scholar will make a similar study of the equivalent situation in the Pacific, where we have a North Pacific Triangle made up of Canada, Japan and the United States.

There are a number of fields in which the importance of this triangular relation in the North Pacific region is constantly impressed upon us. As one immediate example, in only two days' time representatives of Japan, Canada and the United States will meet in Ottawa to discuss the International North Pacific Fisheries Convention to which our three countries are signatories. That meeting serves to underline our common interest in the conservation and exploitation of the resources of the waters which lap the shores of our three countries.

Pacific Pathways of Trade

The Pacific Ocean also provides pathways of commerce between Japan, Canada and the United States. This commerce is of vital and growing significance. For Canada, the United States is our largest market and Japan is the third largest, following Britain, which is our partner in that other triangular relationship I referred to a moment ago. Japan is the second largest market for the United States after Canada, and North America is, I believe, the largest single market for Japanese exports. Obviously, therefore, the prosperity of Canada, Japan and the United States is dependent to a very significant degree on the maintenance of a healthy, expanding, three-way trade amongst us.

Of course, this mutually profitable trade requires the continued existence of stable and peaceful conditions in the world and in this Pacific region particularly. Therefore, Canada, Japan and the United States have a common concern over any potential threat to peace in the Pacific and a mutual interest in seeing that any international dispute or source of tension is ameliorated. There are such areas of possible conflict bordering the Pacific. In Vietnam, for example, bitter fighting is going on on a considerable scale. Canada is very directly concerned with the situation in Vietnam because we are a member of the International Control Commission which was charged with supervising some aspects of the Geneva Agreement of 1954. The United States is

heavily involved because it is trying to help the Government of South Vietnam overcome a military threat to its existence aided and abetted by North Vietnam. Japan, I believe, is concerned about what is happening in South Vietnam because it is vital to its security and prosperity that there should be stable free regimes in the countries of Southeast Asia.

This example (and I can think of others) of the way in which the present relations and future destiny of Japan, Canada and the United States are linked make it clear how necessary it is for our three countries to consult closely with one another. We need to ensure that we clearly understand one another's problems, attitudes and policies in formulating our respective courses of action.

Fisheries Co-operation

I believe we are making considerable progress in this direction. Those who have followed the development of the tripartite negotiations between the United States, Japan and Canada on fisheries will know whereof I speak, for they will be aware that, in spite of the difficulties that remain to be ironed out, the Commissions concerned with these problems have seen within them the gradual evolution of a mutual understanding and a common concern for conservation of the world's marine resources. Those who witnessed our efforts to assist our important trading partner, Japan, to gain admission to the OECD, will also appreciate the substance of this new partnership, and certainly those who are studying the extensive trading arrangements being worked out between Japan and the United States and between Japan and Canada will not fail to appreciate the underlying foresight and mutual consideration that has characterized them.

At this stage it is worth noting our links with other nations with whom we are associated in other contexts. For Canada, I have in mind such associations as those we entertain with Britain through the Commonwealth. These associations supplement and strengthen, I believe, those we maintain and hope to strengthen with Japan and the United States in a North Pacific Triangle. Similarly, Japan has a special rapprochement with various countries in Asia, which can be of benefit to Japan's associates in other continents. These varied associations make our own ties with your country all the more valuable. For the latter permit us to broaden our perspectives and to gain insights into situations from which we are far removed for reasons either of geography or culture.

I look forward with fervour and hope to the further development of lines of communication with Japan through the North Pacific Triangle that will render our two voices more effective, both with regard to our common interests in the Pacific and to world questions as a whole.

The useful meetings my colleagues and I had with our Japanese counterparts last week were of considerable value, I believe, in furthering this objective. A similar meeting between Canadian and United States Cabinet members took place last April and, as with us, there are periodic consultations among members of the United States and Japanese Governments at regular intervals. I am confident that we are steadily strengthening our North Pacific Triangle. We are building a sturdy structure that will withstand any strains that the future may bring and make an unequalled contribution to international order and prosperity in the Pacific.

The foregoing speech had been preceded on
September 6 by the following statement by
Mr. Martin during a visit to Hiroshima:

This, my first visit to Hiroshima, is a deeply moving experience. For almost 20 years the name of this city has been etched in the minds of all Canadians, as, indeed, of all men, as a symbol of the suffering and the horror of war. Hiroshima stands as a reminder that the madness of global conflict must never be allowed to happen again. The souls of the 85,000 join in mute testimony to the folly of war, and in fervent resolution that the lesson of catastrophe will not be learned in vain.

But, overwhelming as they are, these have been the least of my impressions in Hiroshima. In reality, the people of this city have offered much more in inspiration than the grim relics of the past. Hiroshima today is a bright, beautiful and modern city, a monument of justifiable pride for all Japan. The citizens of this town have built on the ashes and devastation of war a living symbol of eternal hope, hope in the ability of mankind to learn from the lessons of disaster, hope in the ability of all people to build a new world, a world better for knowledge of mistakes of the past.

A Symbolic Choice

I think there is something symbolic in your choice of a man born on the day the atomic bomb exploded over Hiroshima to carry the torch for the first Olympic Games to be held in Asia. To me this gesture underlines the determination of all Japanese people to forward the cause of peace. It epitomizes the hope that a new generation will make a new start and bring to a weary and waiting world the flame of resolution and dedication. The torch will remind all the world that the principles of fair play and unselfish dedication are not limited to the playing fields of the Olympic Games but must be applied to the most profound lessons of history. These principles alone provide meaning to what would otherwise be incomprehensible, and purpose to what would otherwise be futility.

And yet, Hiroshima means still more. I see in the commerce and enterprise of this city an acceptance of reality which is remarkable. I see a determination that life must go on and that man was born to live not in fear and recrimination but in hope and dedication. There is tolerance and acceptance indeed in Hiroshima's courtesy and hospitality. This city has shown us the strength and character of its courageous citizens. It has more than stoically accepted reality. It has resolved to better reality and build on the lessons of the past for the profit of the future. The inspiration of Hiroshima has encouraged the Japanese people to seek the good in what might have seemed profitless tragedy. The determination of the Japanese to count themselves among the pioneers in the world in the peaceful uses of atomic energy is surely a lesson that history will record to their credit. I must say that it is a source of pride and deep gratification to me that my country has been allowed to share with the Japanese the development of their atomic energy programme. It seems to me that in this participation in the harnessing of the awesome power of the atom for the betterment of mankind, instead of for its destruction, Canada is recognizing the real spirit of the people of this courageous community.

I need hardly remind you that we in Canada stand with Japan in our determination to do everything in our power to ensure that the need to use atomic power for destructive purposes never occurs again. We must do everything in our power to ensure that the weapons of mass destruction are never allowed to fall into new and possibly impetuous hands. Canada has opposed and will always resist any further dissemination of nuclear weapons.

I am moved and honoured to visit this great city. I am moved by the memories it carries of the past, moved by the wisdom and humanity of its people, moved by the inspiration their conduct offers to the world: I am honoured that you have allowed me to share these feelings and this dedication.

Mr. Martin concluded with the
following message in French:

C'est avec une grande émotion que j'ai contemplé le monument à ceux qui ont péri ici. Il commémore non seulement les morts de Hiroshima: il est également un symbole pour l'humanité toute entière, de l'espoir que, plus jamais, aucun peuple n'ait à subir la même épreuve. La générosité dans la souffrance du peuple de Hiroshima est profondément émouvante. J'ai confiance que cet appel sera entendu. La renaissance de Hiroshima qui nous a tant émerveillés sera la promesse du monde meilleur qu'il incombe à nous tous de construire.

Le Canada, pour sa part, a déjà déployé tous ses efforts pour que plus jamais le monde ne soit menacé par la perspective d'un nouveau cataclysme semblable à celui dont cette ville a été le théâtre. C'est une dette que nous avons contractée à votre endroit. Si nous parvenons à l'acquitter, votre sacrifice n'aura pas été vain.

s/c



CANADA

GOV Doc
CAN
E

CANADIAN EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/20

CANADIAN FOREIGN POLICY AND THE FUTURE
OF THE WESTERN ALLIANCE

Speech by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Atlantic Treaty Association, Ottawa, September 15, 1964.

* Indicates paragraphs delivered in French.

I have great pleasure this evening, on behalf of the Canadian Government, in welcoming you to our capital city. In the space of little more than a year we have been privileged to act as host to a ministerial meeting of the North Atlantic Council and to the present Tenth Annual Assembly of the Atlantic Treaty Association. This has been not only a privilege but also an opportunity, an opportunity of bringing our friends and partners from within the Atlantic community into closer contact with Canada.

* Let me say that Canada possesses, in a high degree, the characteristics of what we may call a typical country of the Atlantic community. We have inherited two great streams of Western culture; we are constantly reminded of our European origins by the ties of blood, of language and of thought. These streams have important tributaries, which are immigration, travel and study, as well as the many contacts between individuals and institutions of our respective countries. But, though we stem indeed from European stock, we are first of all North Americans, and this geographical fact determines our manner of living and our way of thinking. We are aware, too, that the thermonuclear age, which has diminished the effect of distance, has placed us between two nuclear giants.

* This diversity of origins we regard both as an asset and a challenge. We try to meet the challenge in a spirit of mutual understanding, tolerance and conciliation. This formula - mutual understanding, tolerance and conciliation - which has nothing magic about it, is just as necessary for the Atlantic community, I think, as it is to us. I use the term "Atlantic community" without hesitation since, for us, NATO transcends the idea of a mere military alliance. The first objective of NATO, chronologically speaking and according to the logical order of priorities, has undoubtedly been to ensure our collective security. But we conceive

- 7 -

this organization as an institution evolving naturally into a permanent association of peoples with common traditions and ideals. Such a conception, I believe, gives the small and middle powers on both sides of the Atlantic the best opportunity to play their part fully in the Atlantic alliance.

A decade and a half has elapsed since the North Atlantic alliance was first forged. In that decade and a half the world has not stood still. Inevitably the question has arisen - and it is right and proper that it should have arisen - where we should go from here to assure the continued capacity of the alliance to respond effectively to the changing requirements of the world of the 1970's and 80's.

I should like to put before you some specifically Canadian reflections on this complex of questions.

Defence Policy

In the field of defence, Canada has begun the process of reshaping its armed services to meet the tasks they are likely to be called on to perform in the next ten to 20 years. The Canadian White Paper on Defence that was issued in March of this year is the basic document for the Canadian defence review. There are two aspects of the White Paper to which I should like to draw particular attention. First, it recognizes the vital need for co-ordination between our foreign and defence policies. Second, while the White Paper involves no change in our basic commitments to NATO, to North American defence or to international peace keeping, it reflects our intention, by means of reorganization and integration in the armed forces and by improvements in air transportability and mobility, to have in addition a small, highly-trained force for effective deployment at short notice in circumstances ranging from service within the NATO area of Western Europe to UN peace-keeping operations. Flexibility and mobility appear to us to be essential elements in containing potential hostilities and guarding against the risks of escalation.

As far as the alliance itself is concerned, there is still a long way to go towards completion of the review of NATO defence policy that ministers required at the Ottawa meeting in May 1963. While I should not wish to overstress the problems of the alliance in that regard, I cannot escape the feeling that the long-term effects of not achieving some agreement in the fields of strategy, military integration, nuclear control, command structure and cost-sharing are bound to detract from our effectiveness as an alliance in using the forces we have at our disposal. I believe that the time has come to face these problems and honestly to deal with them with the requisite boldness and imagination. In particular, I believe that they point to the need for some re-thinking, first with regard to a greater sharing in the military direction of the alliance and secondly in regard to the relation between the civilian and military arms of the alliance.

A moment ago I referred to the changes that have taken place in the world in the 15-odd years since the NATO alliance came into being. One of the major changes to have occurred during that period has been the economic recovery and political resurgence of Western Europe. This is a development that Canada welcomes. It is also, of course, a development of central importance to the alliance, not only because of the great strength, in terms of power and resources, that Western Europe has brought to the alliance but also because, inevitably, it was bound to have some implications for the structure of the alliance as such.

There are those who think that the alliance may have been slow to adapt itself to these new circumstances, and that may well be so. If it has been so, the reasons for it are perhaps not too difficult to detect. As individual nations, we have, I think, all of us adapted to the changing patterns of world relations over the past decade or so of which the revival in Western Europe has been one of the most striking. But, as members of an alliance, we were bound to take certain other factors into account. First, we must be sure, in whatever steps we take, that the net effect is to strengthen and not to weaken the alliance. Secondly, there is the inescapable fact of the overwhelming power of the United States and its custodianship of the nuclear deterrent. This is, of course, crucial to the effectiveness and credibility of the alliance and we, as Canadians, attach the utmost importance to it. Thirdly, we must not forget that, throughout the period when the pattern of power and resources within the alliance was changing, the alliance as a whole continued to be confronted by the overriding external challenge of the Soviet Union. And it is significant, I think, that whatever may have been the preoccupation of the members of the alliance with the need for internal adjustments, the alliance collectively and its members individually have never flagged in their determination to stand up to that challenge. Our common planning to meet the Soviet threat to Berlin and the confrontation over Cuba some two years back provide, I think, forceful demonstrations of that point.

The fact of the matter, then, is that some Western European countries feel that they should have a greater share in the military direction of the alliance. Some of these countries have tried to meet this problem by creating a national nuclear force. This is not, however, a feasible course for most members nor do we regard it, on balance, as a desirable course -- certainly for us -- to follow. There have also been suggestions for a partly multilateral approach to this problem, but this solution does not really meet the preoccupations of those who are looking for a greater share of responsibility within the alliance. We think there may well be a middle course that has not been sufficiently explored. Could we not make use of our existing machinery to bring about a greater sharing in the military direction of the alliance, particularly in the areas of the command structures, strategic planning and targeting as well as the sharing of costs. To insist that some countries can now make a greater contribution to the common burden without coming seriously to grips with the actual sharing of military direction seems to me to be as unpromising as the reverse line of approach.

A greater sharing in the military direction and a greater sharing in the common burden are two sides of the same coin. Both would be designed to give a greater number of member states a more responsible stake in the alliance.

The other fundamental change of attitude which we believe is necessary is in the relation between the civilian and military arms of the alliance. Within our own countries, we have all found in recent years that there must be a close interrelation between our foreign and defence policies. In the complex world of 1964, it is simply not feasible to try to compartmentalize the diverse ways in which threats to our security can and do materialize, and this point is prominently made in our White Paper on Defence, to which I referred a moment ago. That is why civilian and military policy-makers must each know what the other is doing at all times. Yet in NATO we are still very short of this kind of co-ordination between the two arms of the alliance. The military planners put forward requirements without due regard to the political and economic factors that are bound to weigh heavily with governments. The civilian side of governments, as a result, are inclined to pay less attention to their military advisers and this in turn tends to generate frustration on the military side. I am sure we must somehow break out of this vicious circle.

East-West Relations

May I now turn to some of the major political problems that we must face in the coming years? Relations between the Soviet world and the West are at one of those stages where prediction is a particularly precarious exercise. While there are no immediate crises with the Soviet Union, there is also no apparent movement toward settlement of any of our major differences. I do not believe that we need be discouraged by this state of affairs, particularly when we reflect on the factors that have brought it about. Among these I include our firmness in meeting the Soviet threat wherever it has been directed and, of course, in particular over Berlin; the realization by the Soviet Union of the appalling risks of thermonuclear war; the internal changes and problems within the Soviet world; and the increasingly centrifugal forces within the Communist camp which are being given impetus by the growing split between the Soviet Union and China. If we maintain our military strength and political cohesion and do not lose our nerve, there is a good chance that, in the long run, events on the other side may create the necessary conditions to permit the start of serious negotiations on the central problems dividing us, including, notably, those of Germany and Berlin.

Meanwhile, we cannot afford to remain inactive. First, we should make it clear at all times to the other side that we are willing to negotiate seriously, with the aim of achieving solutions that do not give undue advantage to one side or the other. Secondly, we should continue, within the alliance, to try to define the nature of the solutions to be sought in negotiations with the Soviet world when the time comes. In this connection I am, of course, thinking

in particular of Germany and Berlin. Thirdly, we should take advantage of the present atmosphere to seek settlement of secondary issues and, to the extent possible, improve our bilateral relations with the Soviet Union and other Communist countries. There is much we can do in this way by means of increased trade, by visits and by cultural and scientific exchanges. In Eastern Europe, the opportunities in that regard seem to me to be particularly promising. If, by increasing our contacts with these countries, we can break down the barriers of misunderstanding and contribute to conditions in which those countries are enabled to give stronger expression to their national interests, then surely we are working towards a useful objective. I believe we are all in agreement on this approach and each of us in his own way is trying to make progress in the bilateral field.

In all this, there is one important condition to be observed. While world conditions today probably leave us all with somewhat greater flexibility than previously in the conduct of our bilateral relations with the Communist world, the need to tell one another in NATO what we are doing and why is in no sense lessened. Indeed, unless we maintain our habit of working and consulting together, mistrust will tend to set in and we shall lose sight of the fundamental reasons that keep NATO together and become obsessed with our differences.

Economic Co-operation

There is one other sphere of co-operation among members of the Atlantic community to which I shall like to refer this evening. This is in the economic realm. It will be recalled that Canada has from the beginning attached great importance to that kind of co-operation which is envisaged in Article 2 of the North Atlantic Treaty. Since the early days of the Treaty, much progress has been made in that direction. We have set targets for economic growth that are intended to result in a fuller mobilization of our great resources. We have co-operated in arrangements designed to channel a growing volume of assistance to the less-developed countries for their economic development and to improve the terms on which such assistance is made available. We are embarking on negotiations that we hope and expect will substantially reduce the barriers to world trade. We are also engaged in ensuring that the expansion of world trade is not held up by any inadequacy of the means of arrangements for financing it. And we continue, of course, to look at all these problems in the context of the confrontation between the Soviet and Atlantic worlds.

It is only fair to say that much of the economic co-operation I have described has been conducted within a somewhat wider framework than the NATO forum. In view of the magnitude and scope of the problems requiring a co-operative approach this should come as no surprise. I should add, however, that there has been in all this no attempt, either deliberate or unconscious, to perpetuate the division of the world into rich and poor. On the contrary, we have tried in all we have been doing to bear firmly in mind our responsibilities

to the world at large, and in particular to the less-developed countries, which depend so greatly for their rapid economic advancement on a favourable world climate and on enlightened policies being followed by the richer countries. It was recognized, I think, at the recent UN Conference on Trade and Development that, unless the richer countries can co-ordinate their policies in the economic realm, the chances of their making the fullest possible contribution to an improvement in living standards in the less-developed countries will be appreciably lessened.

I have been speaking about some of the things to which we, collectively, as members of the alliance, might direct our attention. But, of course, it is of the essence of the conception of an Atlantic community that we should not only mend our collective fences but that we should actively cultivate our relations with one another.

The Atlantic community spans a wide and varied geographical area; it also encompasses a wide and varied range of national interests and preoccupations. If the bonds holding such a community together are to hold firm and - as is our common desire - to grow stronger, it is indispensable that we should know more about each other. I can assure you that we in Canada attach the highest importance to the cultivation of closer contacts and relations between the individual members of the Atlantic community and that, for our part, we shall do what we can to that end. .

International Peace Keeping

I should like now to turn to an aspect of Canadian foreign and defence policy that is of particular interest and concern to Canadians, that of international peace keeping. I make no excuse for doing so before an audience primarily interested in the Atlantic alliance, for in the problem of Cyprus we have an example of a UN peace-keeping operation that directly affects two members of NATO and, indeed, could, if not settled, have serious implications for the future of the alliance itself. To some of you, Canada may appear to put too much emphasis on this particular way of keeping the peace. We do so for two main reasons:

first, because, though our defence policy is based on contributions to NATO, the defence of North America and international peace keeping, it is in the latter field that we believe, as a middle power, we are able to make a distinctive contribution;

secondly, because we believe that in a thermonuclear world, where the Communist threat is now primarily subversive, and in the world of newly-independent and economically under-developed countries in which conditions of instability and disorder are apt to arise, an international force to keep the peace or hold the ring while negotiations take place is vital if we are to avoid the dangers of escalation to nuclear war. Whether we like it or not, we live in a shrinking world. Local hostilities, whether in Southeast Asia,

Africa or the Mediterranean, if not contained quickly, can have as great an impact on our lives as an outbreak of hostilities in the more familiar trouble spots of direct concern to NATO.

Some form of international peace keeping will be necessary for many years to come and, while we hope and have, indeed, urged, that a permanent international force will be established, we realize that we are still far from achieving this goal. Meanwhile, we hope countries eligible for peace keeping will consider earmarking units of their regular armed forces for UN service; we favour the establishment of the necessary defence planning within national military establishments and the UN Secretariat; and we have proposed an exchange of experience amongst interested governments on the special military problems that arise in peace-keeping operations. To this end, we expect to hold a working-level meeting in Canada later this year where the countries with past experience in peace keeping can pool their experience so that we shall have available for future operations sources of co-ordinated information on the practical military problems which have been encountered by the UN forces in the Middle East, the Congo and Cyprus.

I believe each member of our alliance has a direct interest in encouraging peace keeping to become a recognized part of the international scene. In this we all have our individual role to play. Some of us may be able to earmark forces as we and our Scandinavian and Dutch friends have done. Others may be able to provide the logistic support to enable international forces to reach their destination quickly, as the U.S.A. has done over the years. All of us have the duty of supporting those operations fully in the UN and of contributing our due share to their cost.

Cyprus

As you know, Canada took a leading part in support of the establishment of the UN Force in Cyprus, and has been contributing what is now the largest contingent in the Force. Canada has also been paying all the expenses of its contingent. We knew before accepting participation in the Force that this would be a demanding assignment and that there might be no early solution to the tense and dangerous situation in Cyprus. But so far it has been possible to contain an explosive situation, which might have led to a major outbreak of hostilities involving two NATO allies. It may be debated whether differences over basic political issues have or have not been narrowed. At least an atmosphere has been created in which negotiations can take place and the situation on the island has been held in check. In all this the UN Force has played a magnificent role.

There is, perhaps, one further word I should say about Cyprus. As it happens, both the UN and NATO find themselves involved in this situation. NATO's concern is not with the situation in Cyprus proper or with the future arrangements on that island. Its concern is with the dispute which the Cyprus problem has caused between two

of its members and with the consequences of that dispute for the alliance. The involvement of NATO and the UN is not, therefore, competitive but complementary, and each has an interest in seeing the other's efforts yielding success. Indeed, this is very much the way in which we in Canada look upon the responsibilities of NATO and the UN in the wider world perspective. We regard NATO as essential to Canada's security and to that of our allies. We think that, whatever the changes that may be in prospect on the international scene over the next decade or so, there will be a continuing and essential need for the NATO alliance. In this firm support for the North Atlantic Treaty and community, we can see no possible conflict with our role as a loyal and responsible member of the United Nations. For the United Nations, too, is pre-eminently involved in the preservation of international peace and security, and the part it plays in that regard clearly could not be played by any other organization.

Conclusion

If we are to continue to meet the challenges that face us we must remain militarily strong, politically flexible, and economically dynamic. It may well be that the major dangers to world peace will occur outside the strict Soviet-Atlantic context. With that in mind, we must close the gap between developed and under-developed countries; we must encourage domestic reforms to remove inequities in wealth and standards of living; we must overcome racial inequality and conflict; and we must create conditions that will limit armed conflict in a world made up of many independent nations. The West cannot live in a vacuum, concerned only with our Atlantic affairs and relations with the Communist powers, for the battleground on which our future as a community will be decided is world-wide. Each of us has a responsible part to play in this wider spectrum and, provided we play it, I have every expectation that we shall be able to maintain a peaceful world and ensure the continuation of a dynamic Atlantic alliance.



CANADA

CANAD. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/21

THE NEED FOR ATLANTIC PARTNERSHIP

Remarks by the Prime Minister to the
Opening Session of the Tenth Annual Assembly
of the Atlantic Treaty Association, Ottawa,
September 14, 1964.

When I last had the pleasure of addressing you in Boston in 1958, I was able to do so with the confidence and freedom of one who no longer held government office. The restraints of office are upon me once again but, whether as a private citizen or a public servant, my views as to the need for evolution within NATO towards a united transatlantic community remain unchanged.

I am pleased that your Association is meeting in Canada, the "other" North American member of the NATO alliance. It will give you an opportunity to appreciate the importance Canadians attach to membership in an outward-looking and progressive Western alliance.

When I last spoke to you, I suggested that: "...my country's destiny cannot be realized in isolation and one way by which its greatness could be best displayed would be to work for the building of a true and united Atlantic community". I still believe this to be so but, unfortunately, in the intervening years there has been slow progress towards an interdependent Atlantic coalition, broader and deeper than a military alliance and with a true sense of partnership between its European and North American members.

Cohesive Versus Divisive Forces

We appear to be approaching another of those periods in the West when the basic forces that keep us together confront the forces that divide us. Military technology has made such swift progress, particularly in the development of thermonuclear missiles, that there is a danger of coming to believe that even the military links between the two sides of the Atlantic are no longer vital. There is also the danger that we may forget the lessons of the first part of this century and give up our search for an Atlantic community based on common beliefs and common heritage for the illusory advantages of a too narrow nationalism or a restricted continentalism. I support those who seek to improve a mutual awareness and a constructive partnership between the nations on both sides of the Atlantic. Neither Europe nor North America can afford to "go it alone" in the nuclear age.

It is at periods like this that your own Association can be so important. Unless our peoples understand the need for a Western alliance and unless they understand the dangers of "separatism" in the international sphere, then there is a limit to what governments can do. That is why your discussions of the future course of our alliance can be of real importance.

Areas for Improvement

I hope, therefore, that you will devote your energies and your collective wisdom to an examination of the main problems to which NATO should be addressing itself in the next decade. There are three main areas where I believe we must move forward if we are to retain our freedom, carry out our international responsibilities and maintain the values common to our Western society: first, relations with the Communist world; second, relations between the materially rich and developed countries and those that are poor and undeveloped; third, relations between ourselves inside NATO.

As to the first, there is, unfortunately, no reason to believe that there has been any basic change in the Communist threat to the West, nor in the expansionist aims of Communist leaders. We have every reason, therefore, to continue to co-operate even more closely within NATO in maintaining strong, well-integrated defence forces. These forces should recognize that the basis of collective defence has shifted from the year of NATO's birth, when the U.S.A. had a nuclear monopoly and Europe was weak and divided, to 1964, when there is a nuclear stalemate and Europe is strong and forward-looking.

There are, moreover, some encouraging signs that, in the long term, we may be able to establish a more civilized relation with the Communist world, which ultimately may result in mere co-existence developing into greater co-operation. For example, among the reasons for the split in the Communist camp would appear to be the fact that the Soviet Union has come to appreciate the risks of the use of military force in the nuclear age and the danger and irresponsibility of threatening to use all-out nuclear war as a means to attaining national ends. On the other hand, the Communist Chinese appear more willing to risk major hostilities (recent events have made this only too clear), which could involve all of us in a thermonuclear catastrophe. The Chinese leaders do not appear to realize and, perhaps worse, possibly do not care much about the dangers and the consequences of nuclear war. China is arrogant both in its nationalism and its Communism and its leaders know little and understand less of the outside world. If we exposed them more to the views of the rest of the world, we might some day expect a more realistic policy from them. The present isolation of China encourages recurring crises.

Gap between Poor and Rich

Much has been said about the gap between the rich and poor countries and much has been done in the way of aid and assistance, yet the incontrovertible fact is that this gap is continuing to widen. Furthermore, the spread of political freedom makes the gap less tolerable to those who are its victims. Can we really expect to maintain our own expanding standards of living in a world divided between many poor and a few rich countries? Of course not!

In such a world, an explosion is inevitable. Self interest apart, the West has a responsibility in helping the new countries to help themselves. The NATO members have a continuing responsibility here for co-operation, consultation and assistance.

Finally, there are our own alliance and relations between the NATO countries. My own views of the need for an outward-looking transatlantic community are well known and I would only make two points. The first relates to attitude. Unless each of us has the will and conviction to work for such a community, no mere tinkering with the machinery of the alliance, of appointing "wise men" to produce formulas for quick action, is going to be of any avail. My other point relates to what I might call modern European and North American myths. Some in Europe think that any Atlantic system is bound to be an American-dominated system with no responsible role for Europe. Some on this side of the water think that the North American commitment to Europe must involve indefinitely the New World having to continue to redress the balance in the Old. At this point in history such views are outdated. If the West is to develop as a partnership of free sovereign nations united in a common approach to the problems of the thermonuclear and space age, we must accept that the Atlantic Ocean is a two-way thoroughfare and that the countries of Europe and North America must learn to practise a consultative partnership looking to the future as more important - even for their own national development - than a too exclusive preoccupation with the national glory and pride in the past.

May I wish your tenth assembly the greatest of success in its work? I hope that your meetings will be a contribution to the debate that must take place between our peoples and governments on the policies that are required to ensure that the Western coalition remains strong and unified to meet the challenges of the last part of the twentieth century.

I quote a few words on this point from the report of the Committee of Three on Non-Military Co-operation, 1956:

"The fundamental historical fact today is that the nation state, by itself and relying exclusively on national policy and national power, is inadequate for progress or even for survival in the nuclear age. As the founders of the North Atlantic Treaty foresaw, the growing interdependence of states, politically and economically as well as militarily, calls for an ever-increasing measure of international cohesion and co-operation. Some states may be able to enjoy a degree of political and economic independence when things are going well. No state, however powerful, can guarantee its security and its welfare by national action alone."



CANADA

GOV Doc
CANADIAN EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/22

CANADIAN-AMERICAN ECONOMIC RELATIONS

Speech by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Economic Club of Detroit, September 21, 1964.

I am greatly honoured to have been invited to address this "good-neighbour" luncheon today. I am particularly honoured, in your roster of speakers, to follow your distinguished Secretary of State. Mr. Rusk is esteemed in Canada as a great public servant of your country and as a good and trusted friend of Canada. As he himself told you last week we had an opportunity, just before he spoke to you, of comparing notes about some of the international developments which are causing all of us concern. I think our meeting on that occasion was typical of the close and cordial consultations that go on at all times and at all levels between our two governments and that play such a vital part in keeping Canadian-American relations in good repair.

You have asked me to speak to you on the subject of our economic relations. To do justice to such a subject it is important, I think, that it should be set in a wider perspective. Canada and the United States between them share this great sub-continent of North America. We are joined - not separated - by what is commonly described as the longest undefended border anywhere on this globe. We are partners not only in the defence of our sub-continent but in NATO - that great alliance of free men which has played so notable a part in enabling us to defend our free societies and to maintain peace and security in the world at large. We exchange more goods and services than any other two countries. We share between us the custodianship of vast natural resources. We are coming more and more to realize that we must use these resources for the joint benefit of both our countries. The Columbia River Treaty, which came into effect last week, after some 20 years of consideration, planning and negotiations, is, I think, an impressive example of Canadian-American co-operation in that sphere. We are linked by common traditions of government based on the consent of the governed and on the rule of law. And we also share in a vast network of cross-currents of information and ideas.

Problems Peculiar to Canada

This provides the general setting for our economic relations with you. But, of course, there are other factors to be taken into account if we are to try to arrive at a more sophisticated assessment of these relations. Our population in Canada is now some 19 million people. Your population is about ten times that size. With such a relatively small population, we are bound to face problems which do not trouble you. We are faced with the problem of geographical diffusion, which adds to our overhead costs. We are faced with the problem of producing goods and services on a scale that is adequate, in a modern industrial context, for achieving maximum efficiency. We are vastly more dependent than you are on the need to export the goods and services we produce. Above all, we cannot afford to leave out of account the enormous preponderance of the United States in the North American economy. Economic developments in our country are greatly influenced by developments in your own economy and we, like other countries, depend on the United States to follow international economic policies that will provide the right environment for our economic growth. It is against this background that I should like now to survey the present North American scene.

In common with most of the free world, North America is at this time experiencing conditions of vigorous economic activity. While there are still problems facing us, we are confident that these can be met and progressively overcome. I need hardly say that continuing economic expansion of your country has been a major element of strength in the larger world picture.

Period of Sustained Expansion

Canadian experience in recent years has closely paralleled that of the United States. We are now well launched into a sustained period of economic expansion. We are confident that this expansion can be maintained, although it may not be possible to maintain it at as rapid a rate as at present. Based on the performance of the Canadian economy during the first half of the year, we expect 1964 to show an increase in our gross national product over 1963 appreciably greater than the 6½ per cent in dollar value which was achieved between 1962 and 1963. This tremendous expansion of incomes and employment in Canada has benefited nearly every sector of our population, whether in industry or in agriculture. And it has taken place in our country, as it has in yours, with relatively little increase in costs and prices.

We are particularly pleased that the rapid growth in our economy has brought about a decline in unemployment. This has dropped from just under 6 per cent in mid-1963 to less than 5 per cent in 1964. Indeed, in March of this year the level of unemployment was as low as 4.6 per cent, the lowest at any time since 1957. We are confident that further progress can be made in expanding work opportunities for Canadians. This is a prime objective of the Canadian Government. We are pleased with the progress that has been

made so far in dealing with this problem, but we do not think it affords us any ground for complacency. We are certainly not prepared to accept a 5 percent rate of unemployment as satisfactory over the longer term, and we are continuing our search for realistic policies designed to provide expanding opportunities for our expanding labour force.

Balance-of-Payments Deficit

A recurring problem which has been facing us in Canada is the balance of our payments with the rest of the world. This is a problem our two countries share, although the Canadian position is substantially different from your own. For, whereas your difficulties have arisen in spite of a large current-account surplus, ours by contrast are due entirely to a large current-account deficit. In fact, this deficit is more than accounted for by our transactions with you. In the ten-year period 1952-1961, we were running a surplus with the rest of the world averaging just under \$300 million a year. Over the same period, our deficit with you averaged over \$1.3 billion a year. If we take this deficit and convert it into the relative terms of your own economy, this would be equivalent to a deficit for you of the order of \$20 billion a year.

Over the past two years, I am glad to say, we have managed to reduce our overall deficit. But the figure is still much too high for an economy the size of our own and, in particular, when account is taken of the fact that it has to be met by foreign borrowing. It is also significant, I think, that the improvement in our external balance to which I have referred has come about as a result of increased Canadian exports to other countries, principally Britain and Japan. We are hoping for further improvements this year as a result, in part, of our large sales of wheat to the Soviet Union and other Soviet-bloc countries. Though valuable and welcome, these are elements which cannot be relied upon to help solve our balance-of-payments problem over the longer term.

Problems of Capital Inflow

I have referred to the fact that the very large deficits which Canada incurred in recent years have had to be offset by inflows of foreign capital. However much we welcome the participation of foreign capital in the development of the Canadian economy, we cannot, I think, shut our eyes to the difficulties which this very considerable volume of foreign borrowing has presented for us. It has, of course, added to our external debt. It has also tended to make our economy more vulnerable than we should like it to be to changes in inflows of foreign capital. For these and other reasons, we find it difficult to contemplate the indefinite continuance of a deficit of the order of magnitude of recent years. Because of the very crucial role which our deficit with the United States plays in this overall deficit, it is clearly in that sector that we must look for real and abiding solutions.

We recognize, of course, the vital importance to the United States of its own balance-of-payments problem. Perhaps, however, there are two comments that would be in order in this connection. First, while Canada is almost certainly the world's largest net debtor nation, the United States, by contrast, is the world's largest creditor. Against Canada's net international liabilities, which are in the neighbourhood of \$18 billion, the United States has net international assets in excess of \$40 billion and these are growing year by year.

The second comment I should like to make is that Canada has been a source not of weakness but of strength to the United States balance of payments. In the ten-year period 1952-1961, our cumulative deficits with you have amounted to \$13.5 billion, of which only about \$7.5 billion has been covered by borrowing from you. Your overall payments surplus with Canada over that period has, therefore, amounted to some \$6 billion.

Industrial Specialization Sought

In seeking a better balance in our trade with you, we are naturally anxious that this should come about through export expansion rather than import restriction. We are convinced that this is the best interest of both our countries. We also believe that it is in the interest of both our countries, particularly in sectors where trade between us is the predominant factor, to develop increased industrial specialization consistent with a rational use of our economic resources. This is of particular importance to Canada because of the limited size of our domestic market, to which I have already referred and which makes it impossible to secure the long production runs and other economies of scale that are necessary to efficient industrial operation. This problem is particularly acute, as I am sure any Detroit audience will appreciate, in the circumstances in which the Canadian automobile industry has developed.

This industry, which consists almost entirely of subsidiaries of United States firms, follows a pattern of production similar to that of their parent companies, even though the Canadian market is less than one-twelfth that of the United States in size. We are convinced of the desirability of much greater rationalization of production between our two countries to permit the Canadian industry to concentrate on the production of those items which can be manufactured most efficiently in Canada. This clearly means increased production and more jobs in both countries and an expansion of trade in both directions.

At present the Canadian automobile market accounts for between 6 and 7 per cent of the total North American market, but only 4 per cent of combined production is located in Canada. In absolute terms, the value of our automotive exports to the United States last year amounted to \$36 million - which represented a threefold increase over the previous year - but our imports from you were valued at almost \$600 million. The objective of the Canadian Government is to bring the trade in automobile parts and components into somewhat better balance. This is not an unreasonable objective.

Lowering Barriers to Trade

I have spoken to you about the Canadian economy and about Canadian-American economic relations. I do not think it would be right for me, however, to conclude this speech without saying at least a word about our joint endeavours to bring down the barriers to world trade and to assist those nations which will continue, for some time to come, to rely on international co-operation for improvements in their standards of living.

Through the initiative of your late President, the trading nations of the free world are about to engage in a new round of trade and tariff negotiations - the "Kennedy round" - under the auspices of the General Agreement on Tariffs and Trade to secure substantial reductions in industrial and agricultural tariffs. The "Kennedy round" also aims at the removal or reduction of non-tariff barriers to trade that have grown up over the years and many of which are contrary to the obligations we have all assumed under GATT. I wish to say, on behalf of the Canadian government, that we support the objectives of these negotiations; that we plan to participate fully in them; that we see this as a major opportunity of freeing both industrial and agricultural trade; and that we are ready to pay in good coin for the benefits which we hope these negotiations will yield for Canada as for other trading countries.

Development Aid

The other economic problem with which Canada and the United States are actively concerned is that of the less-developed countries. Of course, this is not simply an economic problem but one which has and will continue to have a fundamental bearing on the stability and security of the world in which we live. I think we have all recognized in our domestic arrangements that, as the Commissioner General of the French economic plan once put it, "fairness demands that in certain cases some should receive more than the share due to them under the laws of the market and that others should receive less". I am sure we are approaching the time when we shall also recognize the validity of this notion as applied on the international plane. We are already channelling a growing volume of assistance to the less-developed countries, and I am glad to be able to say that we in Canada have recently been able to announce a 50 percent increase in our foreign-aid programme, which now amounts to just under \$200 million a year.

But, however important foreign aid is and will remain in underpinning the economic development plans of the less-developed countries, there is no doubt that, in the longer term, these countries must also be enabled to earn more of their resources for development from trade. To see how this could best be done was the purpose of the recent United Nations Conference on Trade and Development. In carrying forward the work of that conference, I am confident that the United States and Canada will continue to play a constructive part. For I see the problem of under-development as one of the major problems that we shall have to face over the next decade or two.

Last week your Secretary of State spoke to you on the theme of freedom. He spoke of the continuing contest between freedom and coercion in which we are all involved. And he spoke with confidence of the outcome of that contest because of "the commitment of ordinary men and women around the globe" to the cause of freedom. I believe that we, on this North American continent, have particular reason to put our faith in the cause of freedom. For those who have preceded us - explorers, pioneers, settlers and founding fathers - were deeply imbued with that faith. They came in search of freedom and determined to perpetuate it in free societies. We, as their heirs, have a special responsibility to carry forward their legacy; to further the cause of freedom in its widest meaning; and to apply our great resources to the service of that greater freedom within which alone man can attain the full measure of his endowment.

S/C



CANADA

Good Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/23

THE CHALLENGE OF UNDER-DEVELOPMENT

Speech by the Secretary of State for External Affairs; the Honourable Paul Martin, to the Seventy-Fifth Anniversary Plenary Meeting of the International Committee of YMCAs of Canada and the United States, Cleveland, September 26, 1964.

I am deeply honoured by your invitation to address you on this anniversary occasion. Three-quarters of a century ago, the Young Men's Christian Associations of North America set out, in a spirit of brotherhood and service, to share their resources and skills with those of other countries. Three-quarters of a century ago, a movement began which was destined to transcend colour, creed and culture. Three-quarters of a century ago devoted and farsighted men in the United States and Canada recognized the need for a policy of hands across the continents, for helping people to help themselves, for training good citizens and good men.

The tributes that have been paid to you on your seventy-fifth anniversary by world leaders and statesmen bear eloquent testimony to the measure of your accomplishment. With a membership today in excess of 5 million, spread over more than 80 countries and territories, you can justly claim to be "a unique and penetrating force in the cause of world peace and justice". For peace and justice, in the final analysis, are concepts that depend upon men of just and peaceful disposition to give them substance. And it is men of that calibre and disposition who have been the products of the YMCA world service over the years -- the products of teaching and example but, above all I believe, the products of that bond of universal brotherhood which permeates all your endeavours.

Looking back over the past 75 years, we are bound to recognize, I think, that the world is no longer the far flung entity it then was. Advances in transportation and communication, in the interchange of knowledge and ideas, and in international organization and co-operation have made us all neighbours of one another. One of the consequences of this process has been to bring home to each and every one of us a problem of which we were only marginally conscious in former days -- the problem of the under-developed world. I think it would be particularly appropriate for me to say something about that problem on this occasion and to a gathering such as this.

When I speak of the under-developed world, I am speaking about the vast majority of countries in Asia, Africa and Latin America. Together they number almost 80. Most of them have only recently emerged to independent status. All of them are grappling with the problem of meeting the rising aspirations of their peoples. None of them can solve this problem in a purely national context.

Challenge Not Solely Economic

We tend to look upon the challenge presented by the under-developed world as primarily an economic one. But while there is much to support such an approach, it seems to me that it is neither a complete nor an adequate one. A moment ago I referred to the fact that many of these countries had only recently achieved their independence. It is natural that the achievement of independence should generate expectations that tend, sometimes by wide margin, to exceed what the governments of these new countries can hope to accomplish in the realm of practical possibility. And it is natural that, once the peoples of these countries begin to realize the full magnitude of the problems they are facing (problems of political organization, of social and administrative reform, of economic under-development, and of technological lag), there should be a degree of disillusionment and dissatisfaction with the existing order of things.

Although many of them are "non-aligned", it is significant, I think, that so far none of these countries has of its own volition embraced the Communist alternative of pushing forward their economic development in ruthless disregard of the aspirations of ordinary men and women. But there is no room for complacency in this situation. Disillusionment and dissatisfaction do not make for stability and unless the causes of disillusionment and dissatisfaction in these countries can be rooted out, we shall not count on them to play their appointed part in the maintenance of international peace and security. For we cannot assume that the pressure for a new and different order of things in these countries will abate. And if we cannot assume that, we must accept the fact that this pressure will remain a potential source of tension and instability. Furthermore, if we fail to help the governments of these countries to meet the aspirations of their peoples, we cannot discount the possibility that others will exploit our failure to do so.

Population Outruns Development

Of course, the problem presented by the under-developed world is not a simple one and it is not capable of any single or simple solution. A few facts and figures will, I think, help to illustrate its scope. In the decade from 1950 to 1960, the countries of the under-developed world were able to increase their production of goods and services from \$110 billion to just under \$170 billion. This means that, at the beginning of the decade as at the end of it, these countries accounted for only three-tenths of all the goods and services produced in the free world as a whole. Over the same period the total population of these countries increased from 1,000 million

to 1,300 million people. That is a rate almost twice as high as that experienced in the advanced countries of the free world. When the growth of production is discounted by the growth of population, we find that the less-developed countries were able to increase their average per capita income over the decade by no more than \$25, from \$105 in 1950 and \$130 in 1960. In other words, per capita income in these countries rose by a mere \$2.50 a year. What is more significant is that during this ten-year period, the gap between standards of living in these countries and standards of living in the advanced countries widened in both absolute and relative terms.

These are depressing figures. They are particularly depressing in a world which has come to accept the need for economic growth as a central objective of government policy everywhere. The United Nations recognized the urgency of this problem at the General Assembly session three years ago, when it designated the 1960s as the "Development Decade". The specific objective of that designation was to achieve in each of the less-developed countries a minimum annual rate of growth of national income of 5 per cent at the end of the decade. Even if that objective were reached (and we must all hope that it can and will be reached), it has been calculated that it would take the less-developed countries 80 years to achieve current standards of living in Western Europe and 120 years to achieve those currently prevailing in the United States. Understandably, this is a timetable which the governments of the less-developed countries refuse to regard as practicable either in political or in social terms.

Need for Increased Investment

If the less-developed countries are to achieve higher rates of growth, they will need to have available a larger supply of investment goods. They will also need to be able to meet the rising demand of their peoples for consumer goods - including, particularly, food. Since their own capacity to produce the required goods is still limited, a substantial proportion of the increase in demand for those goods will need to be imported. The problem which these countries face is where to find resources to pay for that higher volume of imports which is absolutely essential if their economic development is to go forward at the requisite rate. They recognize that the solution of this problem lies primarily within the realm of their domestic efforts. They also recognize, however, that the resources they can command for this purpose will not, with the best will in the world, be adequate to the task at hand.

In essence, these countries are caught in a vicious circle -- their incomes are low because there is inadequate investment in their economy, and there is inadequate investment in their economy because the incomes which should be generating that investment are low. The less-developed countries are looking to the advanced countries to see this problem in a global perspective and to co-operate with them at the international level in creating the conditions that will enable the less-developed countries to break out of this vicious circle. They argue that, if this can be done, if the less-developed countries

can be brought to the point of self-sustaining economic growth, the result will be beneficial not only to themselves but also to the advanced countries. For it would mean the enfranchisement of millions upon millions of potential consumers, the opening up of vast new outlets for the growing productive capacity of the advanced countries, and a consequent expansion of world trade and world economic growth.

I have been trying to sketch in very broad brush strokes a problem which seems to me -- as I am sure it does to you -- one of the most crucial problems facing us in the free world today. In doing so I have spoken of the less-developed countries as a group. But the world does not, of course, divide so neatly into advanced countries on the one side and less-developed countries on the other. Development is a continuous spectrum and even among less-developed countries there are vast differences in the degree of development. Some of these countries have taken very substantial strides forward in the direction of expanding and diversifying their economies. Others are still a very long way from reaching that point. All the less-developed countries, however, will need to continue to rely for some considerable time to come on international co-operation with their own efforts.

Trade of Under-developed Countries

Before I venture to suggest what form that international co-operation could best take, I would like to say a word about trade and the part that trade has played in relation to the development needs of the less-developed countries. The fact is that these countries have not shared equally in the tremendous post-war expansion of world trade. At a time when their import requirements were becoming more and more pressing, the value of their exports increased at only about half the rate of those of the advanced countries of the free world. As a result the share of the less-developed countries in world trade declined from about a third in 1950 to just over a fifth in 1962. Over the same period, their trade balance with the rest of the world deteriorated from a sizable surplus to a sizable deficit.

This has happened, in large part, because of the structure of the trade of the less-developed countries. Nine-tenths of their exports consist of primary commodities. Indeed, some of these countries rely on one or two such commodities for the bulk of their export earnings. Now it so happens that the demand for primary products has not in recent years proved to be anywhere near as dynamic or as stable an element of world trade as the demand for manufactured goods. This has naturally been reflected in the level of the export earnings of the less-developed countries and in the terms of their trade with other countries. It has also convinced these countries that only a greater diversification of their economies is likely, over the longer term, to enable them to improve their position in world trade. In the meantime they feel that their weaker economic position should somehow be given greater recognition in the present world order.

Suggested Guide-Lines

I suggested earlier in my remarks that I could see no easy panacea to the problems of the less-developed countries. There are, nevertheless, some broad guide-lines that have emerged from recent experience and I should like, before concluding, to indicate to you what they are.

First, the less-developed countries themselves will continue to have to carry the main burden of mobilizing the resources required for their economic development. In this, however, they should be able to count on international understanding and international co-operation.

Second, we, as members of the international community, should do what we can to provide more aid in support of sound economic development programmes carried out by the less-developed countries.

Third, we should keep under review the terms on which our aid is made available to these countries to make sure that the burden of repayment being assumed by them is not beyond the measure of their capacity.

Fourth, we should continue to share the benefits of modern science and technology with the less-developed countries. We should do this through scientific and technical exchanges, through the provision of training and research facilities, and through the secondment of qualified experts.

Fifth, we should recognize the growing dependence of the less-developed countries on earnings from their exports, by making access for those exports to our markets as liberal as possible. We look to the forthcoming "Kennedy round" of trade negotiations to make a substantial contribution to that end.

Sixth, we should take particular account of the great dependence of these countries on exports of primary commodities by looking into further possibilities of stabilizing commodity prices by international agreement. Because the problems presented by each commodity are different, these possibilities are likely to differ from one commodity to another. But unless an effective solution is found to this problem, the less-developed countries will continue to face a situation in which they are expected to carry out long-term development programmes on the basis of uncertain export expectations.

Seventh, we should bear in mind that, if the less-developed countries are to achieve a more equitable share in world trade, they will have to rely more and more on exports of manufactured goods. We should be prepared, each of us, to play our part when the time comes in opening our markets to those goods.

We in Canada and in the United States have, I think, followed policies that have taken fair and reasonable account of the interests of the less-developed countries. We recognize, however, that more needs to be done if these countries are to be enabled to improve their standards of living at an acceptable rate. If all the advanced countries -- those of the Soviet world no less than those of the free world -- were prepared to share in that task, I am convinced that none of us should have to carry an unfair burden.

There is no prohibition that I know of against carrying coals to Cleveland. If there was such a prohibition, I should certainly be held to have infringed upon it. For I am well aware that your organization, which prides itself on being the oldest organization in the field of international assistance, needs no reminder of the magnitude of the challenge of a world in which affluence and poverty are so unevenly distributed. But I am also convinced that, if we are seriously to face up to that challenge, this would call for a new spirit and new attitudes. And I found it difficult to think of a gathering of men where that new spirit and those new attitudes were more likely to find reflection than in your gathering here this evening. Seventy-five years ago your organization dedicated itself to the concept of world service. The world has changed in those 75 years, but the need for world service remains undiminished. If anything, it has become more pressing than ever before. If we have in mind -- as surely we must have in mind -- the urgent aspirations of men and women the world over for a better, a more secure, a more dignified life, then there is only one conclusion for us to draw: we are all in world service today.

We have moved a long way towards what you so aptly describe, in your proclamation of policy, as "a sharpened sense of the interdependence and common aspirations of mankind". I would like to think that our progress has been progress in the Christian way of life. For, if there is any central theme to our Christian faith, it is surely the dignity of man and his equality in the sight of God. I know that it is this conception of world service as living religion that has guided you and will continue to guide you in all your work. As you enter upon your fourth quarter century, may God's guidance and God's blessing be with you.



CANADA

GOV Doc
CON
E

DEPARTMENT OF EXTERNAL AFFAIRS,
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/24

INTERNATIONAL LAW IN A CHANGING WORLD:
SOME COMMENTS ON THE VALUE OF THE OLD AND THE NEW

Speech by the Honourable Paul Martin,
Secretary of State for External Affairs,
to the Toronto Branch of the International
Law Association, October 14, 1964.

The topic I have chosen to speak on is wide enough to embrace all international law. The theme of my speech is change -- not violent change, not revolutionary change, but change in its everyday aspect, what has come to be known as the process of peaceful change. But I do not propose to try to survey the entire span of international law, as it links East and West, newer countries and old, yesterday and tomorrow, the world of armaments and a world without arms, a world where the laws of war are as extensive as the laws of peace, and a world without violence and war. This would be far too ambitious a task for this brief address.

But what I can do is seek to share with you some of the insights which I have gained in my office of Secretary of State for External Affairs, about the meaning of international law for Canada, about how we see it in its strength and how we see it in its weaknesses; about when and how we strive for change so as to overcome the inadequacies of the existing rules and when and how we seek to conserve the achievements and values of the past.

In Canada, our experience is hardly unique. A settled country, an established land, Canada is not besieged by the problems of the newer states struggling to find themselves in the community of nations, seeking to determine their obligations and their rights, their privileges and their responsibilities. As an independent state, Canada has shared in the development of international law in its most crucial years, the two generations which have given rise to the beginnings of a new international order based on multilateral co-operation through world-wide institutions which have risen from the devastations of two World Wars.

We in the West regard international law as our inheritance. It has largely sprung from the postulates of Western authors and the practice of Western states. We were thus mainly responsible for the corpus of present-day international law. In this body of doctrine and rules we find a great deal to our liking. We also find much which we do not like. But what of the attitude of the newer states? If you could share my experience in dealing with representatives of the newer countries, you would, I know, also share the striking and

unmistakable impression that they place as great a value on the rules and principles of international law as we do in the West, if not a greater.

The newer countries show the highest interest in the progressive development of international law. They have participated most actively in the General Assembly, in the International Law Commission and in diplomatic conferences and other bodies in the development of new international instruments. There is a positive influence on the evolution of international law. They want change; they want to work for change; but most of them are wise enough "to make haste slowly" in their endeavours to shape international law and international institutions in accordance with the interests of all states including their own.

It is true that most of the newer countries have shown reluctance about resorting to compulsory arbitration. Very few have accepted the compulsory jurisdiction of the International Court. There is a preference, a quite understandable preference, for regional organizations and methods, for negotiation rather than arbitration, for treating disputes as political, rather than as legal. We hope and we expect that this attitude will change as these states begin more and more to feel that they are having a say, and are participating fully in the evolution of the international legal order.

But we must not be impatient because the new countries show reluctance to submit their disputes to third-party settlement. Even in the West, we have not ourselves fully acquired the habit of thinking about international problems in respect of the rights and duties of the states concerned. Almost every political problem is also a legal one; almost every legal problem is a political one. Was the Suez problem legal or political? Is the Cyprus question legal or political? What about the problem of the recognition of Communist China? What about the Berlin problem? Are these legal or political?

The fact is that international relations do not give rise to political problems which have a legal aspect, any more than they give rise to legal problems which have a political aspect. In my view, the basic distinction between disputes that are legal and disputes that are political is the readiness of the states concerned to regard them as legal, to consider them in terms of international law. But reluctance to think about and articulate problems in legal terms is not necessarily due to lack of interest in or respect for international law. It may arise because the realities of the issue are obscured, not clarified, by defining them in legal terms. Or the reluctance to litigate may be due to a belief that the law, as it is, is unjust or inadequate and must be changed. Some states are bound to ask themselves the question whether, in a society where enforcement of international law is not universally or uniformly accepted, each state is justified in reserving to itself the right to that freedom of action which many other states assert and maintain.

At the same time as the newer countries have been seeking to develop and change international law, the attitude of the Soviet Union and its allies towards this subject has also been changing. At one time, the very existence of international law was doubted by Soviet writers. At other times they thought of international law as being of several different types, and partly as a temporary set of rules governing relations between Communist and capitalist states

in the period preceding the total victory of Communism. But in recent years we have begun to see, in international law as in other spheres, signs of a change in the Soviet Union, of a growing acceptance that there is only one international law which is of general validity for East and West. It is not surprising that the Soviet Union sees the content of this international law as containing principles favouring Soviet interests. The Soviet Union has borrowed heavily from traditional nineteenth century concepts in its role of a great power with far-flung and complex interests.

For the U.S.S.R., international law would seem to perform a triple role in the modern world. The first role is to protect the interests of the Soviet Union as a state among states, as a state in its international dealings with other countries, as a state concerned about the protection of its borders. The second role of international law is to serve as an arch, upon which common interests of East and West can be built, a span between competing societies and ideologies, an instrument of so-called "peaceful co-existence". The third role of international law is to act as a wedge by which Soviet political and ideological aims are furthered at the expense of the Western powers. Falling in this category would be Soviet advocacy of the legality of "wars of liberation" against colonialism. This, of course, is a simplification of the Soviet attitude, as each function or role obviously overlaps with the others.

It is particularly in its first role, the protection of a great power's interests, that the Soviet Union seems in some respects to be heading towards a conservative approach - most recently in its attitude towards the rules relating to the conclusion, termination, suspension and revision of treaties. In the International Law Commission, we have accordingly seen members from both Communist and Western countries agree on rules which firmly uphold the sanctity of treaties. The Soviet Union has even supported a restrictive definition of the controversial doctrine of clausula rebus sic stantibus, and we have heard little in recent years about "unequal treaties". It is also in connection with international law in this first role that the Soviet Union is an ardent advocate of the doctrine of state sovereignty. I will be discussing this later in my statement. It remains to be seen whether the Soviet attitude towards international law as an instrument for protecting its national interests will influence, as I believe it has already begun to influence, the Soviet Union's attitude toward international law in its role as an instrument of what they call peaceful co-existence, and whether it will temper the Soviet Union in its efforts to use international law for revolutionary purposes.

What conclusion do I draw from this analysis? I believe that the nations of the world have arrived at a point where virtually all states see value in the concept of a general corpus of international law, valid for all states, Eastern and Western, Communist and capitalist, old and new. Although they have had little say in its formulation, the newer states see value in it in its role of protector of the interests of smaller powers. The U.S.S.R. has come to see positive value in it as protector of its interests as a great power and as an instrument for peaceful co-existence. The Western states see international law as a framework for a developing international legal order and as an instrument for peace, for the peaceful settlement of disputes and for peaceful change.

It is, therefore, evident that all countries of the world have come to share a common interest in international law and in its development into a body of rules which satisfactorily regulate the various and often conflicting interests of states in a modern society.

For all of these states, struck by the impact of technological, scientific and economic change, a question which arises over and over again is: do the individual rules of international law adequately meet the requirements of a specific situation? To what extent should the older rules be preserved? To what extent should we reject the old and pursue the new? To what extent is change possible? To what extent is it desirable?

I should like to illustrate how such questions as these arise for a country like Canada and how we try to answer them. I shall do this by referring to three particular fields of international activity where the question of the value of the old and the new has recently arisen and where the Canadian Government has had to formulate important aspects of its foreign policy in the light of changing norms and principles of international law. These are, first, the Law of the Sea, second, the concept of state responsibility, and third, friendly relations among states.

To take first of all the Law of the Sea -- here is a field of international law where we have seen dramatic changes in the past generation. At the Hague Codification Conference in 1930, Canada, along with other Commonwealth members, was a staunch supporter of a three-mile limit for all purposes and not just for the territorial sea; we were strong advocates of the "sinuosities rule" for determining the starting-point of the territorial sea and we favoured a relatively narrow closing-line for bays. But under the effect of modern technological methods of fishing, Canadians from both the east and west coasts have become concerned about the need to protect our own fishing interests in our adjacent waters. Our coastline is surrounded by great bodies which in some cases thrust into our heartland. The law of the nineteenth century and the law of the greater part of the twentieth century was not adequate to protect our interests and our needs. Nor was it adequate to protect the interests of many other states. In the post-war period, we have seen startling changes. First, the acceptance of the straight-baseline system as a method for determining the starting point of the territorial sea. In a decision of historic importance, the International Court of Justice in 1951 shook the foundations of the Law of the Sea by recognizing the legitimacy of the straight-baseline system in certain types of cases. For Canada, this decision had particular significance because of the unusual features of our coastline -- in particular its highly indented configuration.

The second development of historic importance is the growing acceptance of the fishing-zone concept in international law. Only a few years ago, there were some who denied the legitimacy of claiming fishing limits extending beyond the territorial sea to a distance of 12 miles. Today there are many countries, Canada among them, which have established exclusive fisheries jurisdictions. Since the last war, we have also seen the birth and acceptance of the doctrine of sovereignty over the resources of the continental shelf. We have seen the birth of new rules for determining the closing-lines for bays. We have also seen many countries depart from the three-mile limit for the territorial sea.

The international law of the sea has accordingly become transformed in a generation --- not without struggle and not without creating uncertainties and areas of dispute. But, through the labours of a number of countries (with Canada, I may say, at the forefront), the rules of the sea have changed and are changing to respond not just to the interests of the great maritime powers but to the needs of all states, including many of the newer ones. Canada was the first country to propose the concept of a separate fisheries jurisdiction, in the form of a fishing zone beyond the territorial sea extending 12 miles from the baselines. We originated this proposal in the international field; we laboured for it for many years in the United Nations, in two international conferences and in more restricted meetings and discussions which we initiated. When these efforts to obtain international agreement failed, Canada, like other countries, established a 12-mile exclusive fishery zone unilaterally, and we are now negotiating with countries whose fishing is affected by this decision in order to work out a satisfactory adjustment of their interests.

Thus, the Law of the Sea is an area in which Canada found the existing rules inadequate and where we have, accordingly, strived to change them. Even in this field, however, we have found value in some of the existing concepts. Canada has retained a three-mile territorial sea because we believe that this classical or traditional rule adequately meets the interests of states in respect of their requirements for a territorial sea, while at the same time doing minimum damage to the doctrine of the freedom of the seas. But many states have not found this rule satisfactory, and, taken in isolation from new developments in the international Law of the Sea, we, too, would consider it inadequate. But the new rules about straight baselines, the new rules about bays and the exploration of the continental shelf, and the growing acceptance of the concept of a fishing zone -- all these developments help Canada to protect its interests in its adjacent shores without making it necessary for us to depart from the traditional concept of a three-mile territorial sea in which we continue to see value.

Another area of international law where there have been demands for change is the responsibility of states for harm caused to the rights of nationals of other states. This subject raises sensitive questions concerning nationalization of property and compensation for injury or damage to aliens.

In this field, the question of the adequacy of the rules of international law has arisen in acute form. Mr. Justice Harlan, in the celebrated Sabbatino case in March 1964, aptly described the demands and pressures for change:

"There are few if any issues in international law today on which opinion seems to be so divided as the limitations on a state's power to expropriate the property of aliens. There is of course authority, in international judicial and arbitral decisions, in the expressions of national governments and among commentators, for the view that a taking is improper under international law if it is not for a public purpose, is discriminatory, or is without provision for prompt, adequate and effective compensation. However, Communist countries, although they have, in fact, provided a degree of compensation after diplomatic efforts, commonly recognize no obligation on the part of the taking country. Certain representatives

of the newly independent and under-developed countries have questioned whether rules of state responsibility toward aliens can bind nations that have not consented to them and it is argued that the traditionally articulated standards governing expropriation of property reflect 'imperialist' interests and are inappropriate to the circumstances of emergent states."

Thus, the subject of state responsibility presents analogies to the Law of the Sea. In both cases, a number of countries insisted and continue to insist that the existing or traditional rules are inadequate and must be changed. In both cases, numerous attempts have been made over the years to reach international agreement on the rules concerned. At the Hague Codification Conference in 1930, a major but unsuccessful effort was made to draw up an agreed set of rules or code of behaviour for states in respect of the rights of aliens within their territorial jurisdiction. The subject was discussed in other bodies of the League of Nations. More recently, the problem has been examined from varying standpoints, in the United Nations Sixth Committee and Second Committee. The latter body has struggled for years with the question of permanent sovereignty over natural resources.

The International Law Commission has also dealt with the matter in one form or another almost since its inception. There has been evidence of a strong desire on the part of Communist states to move the subject away from the traditional body of rules relating to damage to aliens to one involving the more general nature of state-responsibility -- that is, the general principles underlying inter-state obligations, for example, to refrain from aggression. It remains to be seen to what extent the traditional rules relating to damage to aliens will find expression and be confirmed in the present work of the Commission.

At the present time, I believe that no clear consensus has emerged from these attempts at reformulation and progressive development. Whether these efforts will succeed, when they have failed in the past, remains to be seen. What I wish to underline, from the standpoint of my present inquiry, is that whatever does emerge in the future is bound to be based in large measure on fundamental principles which have not and should not be jettisoned. In this area, Canada, along with many other countries, sees considerable value in the older rules as providing a fair and just basis for adjusting the interests of the states concerned. Even the most recent practices of the Communist states, the principal denigrators of the concept of state responsibility for damage to aliens, and the principal protagonists for change, reflect the resilience and continuing utility of some of the traditional concepts.

The Soviet-bloc countries have on numerous occasions been persuaded, in spite of their doctrinal protests, that it is in their own interest to agree to a reasonable settlement of property claims and disputes. They have, in fact, behaved on occasion very much as if they considered themselves governed by what they might otherwise describe as outmoded and capitalistic concepts of property rights.

Let me illustrate this last point by some reference to Communist practice. A little-known instance of the Soviet Union having granted what might be regarded in effect as compensation was the case of the Petsamo Nickel Mines. In this instance, the Soviet Union, as part of the peace-treaty settlement with Finland in 1944, agreed to pay to Canada \$20 million in compensation for nickel mines of Petsamo located on territory which was ceded to the U.S.S.R. under the peace treaty. These mines were owned by a subsidiary of the International Nickel Company of Canada.

Another case involving questions of state responsibility of an Eastern European state in the post-war period was the El-Al Israeli Airlines case arising out of the shooting down of an Israeli aircraft by the Bulgarian Air Force. An unsuccessful attempt was made by certain states to invoke the jurisdiction of the International Court at The Hague in order to adjudicate the claims of various nationals whose relatives had perished as a result of this irresponsible act of the Bulgarian Government. Even though it was not possible to reach a judicial settlement in the World Court, various countries concerned, including Canada, were able, through diplomatic negotiations, to obtain compensation on behalf of their nationals.

In the post-war period there have been some 50 agreements concluded between Western governments and Eastern European governments providing lump-sum settlements of claims for property nationalized or confiscated in Eastern Europe. These agreements provided only partial settlement, sometimes over 90 per cent, but in some cases less than 10 per cent, of the value of the claims outstanding. They were usually negotiated in a context where it was the prevailing state of relations between the two countries in economic and political matters which largely determined the outcome of the negotiations. The claimant state was responsible for distributing amongst its nationals as it saw fit the lump sum obtained from the East European government. It has been said that such agreements are as little indicative of the rules of international law as are compromise arrangements made by a defaulting debtor to avoid bankruptcy indicative of the extent of the debtor's legal liability under domestic law. We would agree with this up to a point. Although the Communist countries may not agree, it seems to us, first, that underlying these arrangements is an implicit recognition of some obligation to reach an accommodation and, second, that the accommodation in turn is consistent with the traditional principles of state responsibility.

Canada believes that these existing rules continue to be an adequate basis for regulating the interests of states. The Government announced a few months ago that Canada and Hungary had reached a preliminary agreement looking towards negotiations on a lump-sum settlement of nationalization claims of Canadian citizens outstanding against Hungary. The international law purist might view such lump-sum negotiations with some distaste. But, of necessity, Canada has had to take into account the realities of state practice and state attitudes.

I would agree that an impartial adjudication of such claims by an international tribunal -- as was common during the pre-war years -- might have been preferable, but, failing that, the Canadian Government cannot overlook the interests of individual Canadian claimants who are understandably anxious

to achieve at least partial compensation for their losses. They are not unlike the creditors under domestic law who prefer to make a compromise arrangement with their defaulting debtor. In agreeing to resort to the technique of the lump-sum settlement, Canada is not waiving any rights under the traditional rules of state responsibility. During such negotiations we intend to press vigorously for a full recognition of the rights of individual Canadian claimants to just compensation for their losses at the hands of the nationalizing government. I do not consider that compromise settlements of this nature on the international plane affect the underlying principles of customary international law any more than a compromise settlement out-of-court affects rules of legal liability under domestic law.

It is, I think, encouraging to note the support for traditional rules which has been forthcoming from some of the developing countries. This is not a matter of abstract reverence for old rules. It is a very practical matter of self-interest for countries in great need of foreign capital for development of their economies. There may be some differences of approach between the capital-exporting country and the capital-importing country, but there is an area of common ground. Each side is anxious to facilitate the orderly movement of capital investment across national borders to their mutual advantage. Traditional principles have been found to be highly relevant and useful in adjusting differences which arise.

I would not wish to give the impression that Canada regards the existing international rules of state responsibility as satisfactory in all respects. In negotiating a lump-sum payment with Hungary, it is necessary for Canada to follow the rule that claimants must be Canadian citizens both at the time the injury was suffered and the claim presented. The only exception to this rule of nationality concerns claims resting on specific treaty provisions. This may not be a fully satisfactory rule in all instances. It might cause hardship and even seem arbitrary. Unfortunately, in the present state of law and practice, there would be no possibility of states broadening the principles governing state responsibility. Given the sometimes cautious, sometimes doubtful, sometimes negative attitude of certain states to the principles of liability for damage to aliens, we must strive to conserve what we have in the existing rules and recognize that the possibilities for broadening them so as to place greater responsibility on states are very slender and remote.

To sum up Canadian experience in respect of the principles of state responsibility, I would say that we are not pessimistic. We see no cause for alarm in the apparent state of disarray on rules of state responsibility. We see no cause to believe that it will be necessary to abandon the existing rules and principles. We may be far from a universally-agreed code, but many of the traditional rules for respecting the interests of aliens are enjoying surprising vitality, consistent with the needs of a changing world.

My third illustration of the problem of change in international law is of a more general character. Less than two weeks ago, the United Nations Special Committee on Friendly Relations and Peaceful Co-operation Among States concluded its work in Mexico City. The conference dealt with general principles of international law relating to the maintenance of peace, order and security,

with a view to providing guidelines for the work of the Sixth Committee of the General Assembly. At this meeting, 27 representatives of the Western, Communist and non-aligned countries endeavoured to achieve a common outlook and a common understanding on such topics as the threat or use of force, the peaceful settlement of disputes, the principle of non-intervention, and the sovereign equality of states. Although, not unexpectedly, a consensus could not be reached on most subjects, it is clear that the Mexico City conference showed signs of change or a moving away from three extreme conceptions of international law: that of some of the newer countries, demanding a change in the existing Charter provisions through the adopting of broad and generally political rather than strictly legal interpretations; that of the Soviet Union, pursuing an approach to international law more in keeping with the third rather than the first two roles I mentioned earlier, that is, using international law as an instrument of Soviet international revolutionary objectives; and, finally, that of some Western powers, advocating the development of Charter machinery but on the whole resisting the development of Charter principles.

Typical of the first approach was the view expressed by some developing countries that provisions of international law or treaties considered no longer to correspond to current requirements could not be invoked to restrict a nation's right to dispose of its natural wealth. Another example was the view that the concept of sovereign equality had come to encompass the concept of economic equality.

Such positions were, however, the exception. Even when put forward, they were usually complemented and tempered by a trust in the political and other organs of the United Nations and in the Specialized Agencies as the source of orderly change through international co-operation. In seeking change in the Charter system, these countries are equally anxious that they should not weaken the external structure, the United Nations system itself. They are showing an increased realization that institutions draw their strength from the principles under which they operate and that wholesale and arbitrary calling into question of the validity of these principles can only weaken the structure for maintaining the peace.

The Mexico City meeting also provided evidence that the Soviet Union may be moving toward acceptance, in some respects at least, of a unitary system of international law. For the Soviet Union, the meeting was, in part, a testing ground for the proposal, broached by Chairman Khrushchov in a letter of December 31, 1963, to heads of state and government, concerning border disputes and the means of settling them. This item, as you may know, is now on the provisional agenda for the forthcoming session of the General Assembly. Need I stress the "conservative" aspects of a proposal which aims at freezing existing borders? Is the Soviet Union at the point of groping toward a system of international law which may tend towards stability and not exclusively towards revolutionary change? To what extent will the former inhibit the latter?

In presenting the proposal on border disputes as a practical step towards disarmament, Soviet legal writers sharply reject any implication of supranational authority. Theirs is an inconsistent position because, while constantly advocating the need for change, especially radical change outside

their own borders, they cling to the most conservative notion of modern international law, sovereignty in as absolute a form as it is possible to advocate at the present day. They proclaim this principle in the disarmament field and in connection with the procedures for the peaceful settlement of disputes. Their preoccupation with sovereignty is reflected in their emphasis on negotiations as the fundamental means of solving international disputes. Other modes of settlement are regarded as encroachments upon the sovereignty of states. This conservative doctrinal trend was also seen in the Soviet Union's proposal for the establishment of a list of illegal acts of intervention of a state in the affairs of another.

I could give other examples. It will, however, be clear from this account of Soviet attitudes at the Mexico City meeting that they may have reached a point where, increasingly, they have to choose between continuing to advocate an ideology of revolutionary change and a system of international law whose underlying philosophy is the achievement of stability and peaceful change.

Discussion of the topic of friendly relations is to be continued by the Sixth Committee at the forthcoming session of the General Assembly. While the Mexico City meeting did not, in most cases, reach the stage of formulation because of basic differences in approach, it would appear that certain ground rules are evolving for the development of Charter principles. These represent a compromise between the more extreme positions of East and West and non-aligned countries which I mentioned earlier.

I shall name four of these ground rules. First, notwithstanding the fact that the International Law Commission is the arm of the General Assembly charged with codification of international law, it is a proper task for the Sixth Committee to try to spell out what is the meaning of the Charter provisions or of what is implied in them. This is a proper sphere of lex lata. Second, by way of lex ferenda, the Sixth Committee might seek to recommend to governments additional legal rules supported by state practice in the interval since the Charter was written and which are consistent with the Charter. Third, there may be desirable principles of international conduct which are not necessarily ready for inclusion in the international legal system. These principles may as yet be norms of international morality which have not yet crystallized into legal obligations. Finally, in a world of sovereign states, resolutions adopted by United Nations bodies or general conferences represent an important element in the process of evolving international law. Such resolutions may not always be a reliable guide to international custom, but they actively indicate the way in which custom is evolving.

The present attempt to codify international law in bodies other than the International Law Commission may perhaps be indicative of a certain impatience and haste on the part of the Communists and some of the new countries in approaching the problem of change. Nevertheless there are portents to be drawn from the Mexico City meeting which suggest that recent attempts to alter significantly the course of development of international law may be subsiding into a more reasonable and critical approach.

I hope, Mr. Chairman, that, from this general account of problems with which Canada has to deal, I have been able to provide some insight into Canadian attitudes and the Canadian approach. I should like to add only this. In my office and in my Department, we are, first of all, students of international law. We try to understand what are the applicable rules and what are the practices of states. Second, we are practitioners seeking to find solutions to international problems through applying the existing rules and precedents. Third, we are our own advocates. We argue our own cases in various informal ways. Fourth, we are often our own judges. We examine the rules to find to what extent they are equitable and fair and to what extent, in our view, there is a need for change and progressive development. We examine the other side's case and we may accept or reject it. Fifth, we are legislators in the various bodies of the United Nations, raising our voice and casting our votes in favour of rules which we believe to be just.

In short, as Secretary of State for External Affairs, I see international law in many perspectives and from many standpoints. I live with it every day. Of Sir Frederick Pollock it was once said that the law was his mistress. Of myself it would be sufficient to say, international law is my constant companion.

s/c



CANADA

CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF,
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/25

SOME REFLECTIONS ON THE TWENTIETH YEAR
OF THE UNITED NATIONS

Speech by the Honourable Paul Martin, Secretary of State for External Affairs, to the United Nations Association of Pittsburgh, October 20, 1964.

It is a great pleasure for me to be in Pittsburgh today to address this annual United Nations Day luncheon. I feel honoured by your invitation and particularly value the opportunity to give you a Canadian view of the progress and problems of the United Nations.

We are now on the eve of the twentieth anniversary of the United Nations. The infant organization of 1945 has shown a surprising capacity for sustained growth. It has survived, although there were times when many doubted that it would. It has shown resiliency in the face of frequent attempts by the Communist states to limit its function to that of a debating society. It has steadily grown in strength -- despite crises which seemed to threaten its very existence.

I ask you to consider this proposition -- that the United Nations now fills an accepted and honoured role in the conduct of international relations. It would be infinitely more difficult to keep the peace, to build up confidence among states, and to grapple with the great problem of under-development without the existence of an agency such as the United Nations.

There is a corollary to this proposition, however, and that is this -- if peace keeping by the United Nations has now become a practical necessity in the conduct of international affairs, then it must be provided for, planned for and paid for as a collective responsibility. The same proposition holds true of United Nations activities in the economic and social fields.

The Impact of the New Member States

The United Nations as an institution is currently passing through a period of profound change. Its internal structure is changing, as is the political climate within which it must operate. This is largely due to the great increase in membership that has taken place since 1945. It was my particular privilege in 1955 to be able to play a part in breaking the log-jam that had for many years frustrated attempts to give the United Nations membership a more truly representative complexion. Since then the way has been cleared for

the admission of many newly-independent states, especially from Africa. This has forced the older members to rethink their own role, but it has also given them an opportunity of cultivating new friends and developing new interests.

I regard this injection of new blood into the United Nations as both desirable and encouraging. I believe the new member states can be trusted to use their voting strength wisely and to make a constructive contribution to the future evolution of the United Nations. No one, after all, has a greater stake than they have in the success of that organization.

It is significant that the new African states strongly supported the United Nations' operation in the Congo through four long years, often marred by confusion, misunderstanding and bitterness though it was. The new member states also rallied to the side of Dag Hammarskjöld -- that great proponent of a dynamic world organization -- when he came under attack from the Soviet Union. And it is fair to say that the new states have been among the most zealous in bringing about the fulfilment of the Charter aims of equal rights and self-determination of peoples and in encouraging respect for human rights without distinction as to race, colour or creed.

With the help of the new member states, I am confident that the United Nations will in time become a much more effective instrument for international co-operation. This process will require patience and a great deal of hard work. It will involve lengthy and complicated negotiations among the main power groupings. And it will demand of the affluent nations a much greater appreciation of the aspirations and needs of the developing countries which now compose two-thirds of the United Nations membership.

Uncertainties about the Future

Various uncertainties cloud the future of the United Nations. At a time when it continues to be confronted by serious international problems, the organization still suffers from internal weaknesses and from a lack of mutual confidence as between the various regional and ideological groupings within the compass of the organization.

Developments in recent years have also produced some severe shocks and surprises for the United Nations. Its response to some situations -- notably the Cyprus crisis -- has been neither as prompt nor as effective as the circumstances clearly warranted. Only a few states came forward with offers of contingents and money for the peace-keeping operation in Cyprus and it has not received broad support from the United Nations membership as a whole.

Surely all countries, including those of the Communist world, have a common interest in the maintenance of international peace and security. It seems equally obvious to us in Canada -- as I am sure it does to you -- that, when the United Nations takes action in the peace-keeping field, whether on the initiative of the Security Council or that of the General Assembly, its members share a collective responsibility to pay for the costs of these operations. Yet the fact is that the present operation in Cyprus is limping along on a system of voluntary contributions. This would not appear, on the face of it, to be a very happy augury for the future.

Somewhat paradoxically, there is at the present time more real interest in peace keeping, in the problems and techniques of United Nations operations and in the study of ways in which the peace-keeping capacity of the organization can be strengthened, than at any other time since the organization was founded. The current Canadian proposal for a meeting to exchange experience on the practical and technical problems encountered in United Nations operations has aroused great interest. Even the Soviet Union has come forward with its own proposals for strengthening the effectiveness of the United Nations in the field of peace and security -- a clear indication that they appreciate that, in one way or another, peace keeping under the aegis of the United Nations is here to stay.

Two Major Problems

In the time at my disposal I propose to focus upon what we in Canada regard as two of the major problems now facing the United Nations and to indicate to you how these problems look through Canadian eyes.

Peace Keeping

I turn first to peace keeping. The problems in the peace-keeping field cannot be fully understood without some appreciation of their background. As you know, there are a number of key articles in the Charter dealing with the maintenance of international peace and security which, in effect, assume that United Nations military forces would be under the direct control of the Security Council and its Military Staff Committee and that their main use would be to repel aggression.

This part of the Charter was an early casualty of the cold war. It has never been put into practice, with the exception of Korea, because the great powers disagreed on the forces to be raised, the size of the units each would contribute and the military bases which the projected United Nations force would use.

The whole development of peace keeping under the United Nations has followed a different pattern. The concept of peace-keeping operations, in which the force acts with the consent of the country concerned to contain violence and restore normal conditions conducive to a peaceful settlement of the problem at issue, has evolved despite the failure of the collective security system envisaged in Chapter VII of the Charter. Thus, we have seen the use of an international police force in one situation, an observer or truce supervisory group in another, and a United Nations presence or good-offices mission to fit yet another set of circumstances.

This new approach to the use of military forces to keep the peace has opened up fresh possibilities for constructive international action. It has, however, also brought new, fresh problems in its wake. One result has been that each United Nations peace-keeping force has had to be raised on an ad hoc basis, sometimes with the authority of the Security Council and sometimes with that of the General Assembly. There are no agreed procedures or rules to determine how the force is to be mounted, how the operation is to be directed or who should pay for it.

We in Canada share the hope of other governments, such as your own, that the day will come when political agreement will make it possible for the United Nations to be fully capable of keeping the peace. Meanwhile, we think a good deal can be done in an informal way to strengthen the United Nations by enabling it to respond more quickly and more effectively in an emergency. We hope that other countries will decide to set up stand-by military forces for United Nations service as Canada, the Scandinavian countries and the Netherlands have done. Iran also has recently announced its intention to create such a force. We are encouraged by the Secretary-General's strong support for the stand-by concept and by the steps which have been taken to create a small military advisers' staff within the Secretariat. As a further step, we have proposed a meeting to exchange experience on the practical military problems encountered in United Nations operations. We believe that a meeting of this sort, at the working level and among people with a first-hand knowledge of these problems, would be of particular help to those countries which can expect to be called upon to assist the United Nations in future emergencies.

Financing

Peace-keeping action will obviously be quick and effective only if the United Nations can proceed in the sure knowledge that the money will be there when the bills are presented. In recent weeks you have all become increasingly aware of the bitter debate now raging on the obligation of all member states to pay their assessed share of duly authorized peace-keeping operations. It is a debate which reaches into the past and casts a long shadow on the future -- for I think it must be clear that what we are arguing about is not simply the debts which have arisen from past peace-keeping efforts but the means of financing these operations which may be authorized in the future. There must, to my mind, be movement on both fronts.

The question of past arrears threatens to develop into a serious confrontation when the General Assembly opens its doors next month. There is no avoiding the stark fact that the United Nations now runs an operating cash deficit of close to \$120 million, of which well over 90 per cent represents arrears owed in respect of the costs of the United Nations Emergency Force in the Middle East and the United Nations Operation in the Congo. The Soviet Union and its allies, who account for the lion's share of these arrears, persist in regarding these two peace-keeping operations as illegal adventures, because they were not fully in accordance with the Soviet thesis that the Security Council alone can initiate, direct and make financial arrangements for operations to maintain the peace. On these grounds, the Soviet Union has refused to pay one penny of the costs.

I will not burden you with the overwhelming evidence which persuades us that the Soviet Union is wrong. Suffice it to say that the Charter makes it clear that the Security Council has primary but not exclusive responsibility in this sphere; that the General Assembly has formally accepted the advisory opinion of the International Court of Justice that the expenditures incurred in the Middle East and in the Congo were "expenses of the organization", which all member states were obliged to pay; and that the Charter clearly and specifically provides in Article 19 that members whose arrears exceed the two previous years' assessments shall have no vote.

The United Nations cannot, of course, force the Soviet Union to pay; we cannot, so to speak, put our hand in the Russian till. But if the Soviet Union persists in rejecting the principle of collective responsibility, persists in refusing to pay "one kopeck" towards its accounts, then, in our view, the General Assembly has no option but to invoke the Charter sanction against non-payment of duly assessed shares.

Let us be clear that this is not a prospect which any country relishes. One does not talk idly of depriving any nation of its vote. We are not inflexible nor do we wish to be unduly legalistic. There are several alternatives open to the Soviet Union and it is still my hope that it will choose one of them to fulfil its responsibilities as an important founder member of the United Nations.

The maintenance of peace and security may well be a costly matter. We must not forget, however, that that cost is infinitesimal in comparison with the benefits which peace and security bring in their wake. Moreover, the issue is not a simple one of money, important as that is. What is at stake is the principle of collective responsibility and the very future of the organization on which we have built our aspirations for a peaceful world. If we are to permit governments a free choice of paying or not paying for duly authorized peace-keeping operations, then it is obvious that we will have dangerously weakened the capacity of the United Nations to respond to future emergencies.

Looking at the past, with its sorry history "of drift, of improvisation, of ad hoc solutions, of reliance on the generosity of the few rather than the collective responsibility of all", we must plan more judiciously for the future. It is imperative that we agree on long-term arrangements to cover the financing of future peace-keeping operations which will command the widest possible measure of support. For our part, we believe an essential ingredient will be a special scale of assessments for peace keeping which will acknowledge not only the collective responsibility of all but also the fact that the capacity to pay of many countries -- and I have in mind particularly the developing countries -- is limited. I am also attracted by the proposal that there should be a special committee set up to make all future recommendations on possible methods of peace-keeping financing. Here we are in an area where fruitful negotiation should be possible. Certainly, we cannot much longer proceed on the present unsatisfactory basis.

If I have painted a rather sombre picture, it has not been in any mood of despair or alarm. What I have sought to do is to put into proper perspective the issues which underlie the present debate. I am still hopeful that, with the requisite patience and determination, we can fashion peace-keeping machinery which will vindicate our belief that the United Nations can be an instrument capable, in the words of the Charter, of saving "succeeding generations from the scourge of war".

Here, then, are two of the major problems confronting the United Nations on the eve of its twentieth anniversary. They are serious problems and they will need to be faced. But the viability of the United Nations cannot, of course, be assessed simply in terms of the problems it has not yet managed to solve. Indeed, these problems themselves are symptomatic of the

extent to which the United Nations has been able to carry forward the concept of a sensibly-ordered world community. There is encouraging evidence to suggest that this concept carries the broad support of the overwhelming majority of the member countries of the United Nations. I am also convinced that, in time, all countries will come to recognize -- if they have not already done so -- that their interests and those of the world community are in large measure identical. For, in the final analysis, it is only in a stable and secure, in a peaceful and prosperous world that nations can best further their own purposes and ensure a better and a richer life for their peoples. And therein, I believe, lies the ultimate and abiding strength of the United Nations.

S/C



GOVERNMENT OF CANADA
DEPARTMENT OF EXTERNAL AFFAIRS,
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/26

EDUCATION FOR RESPONSIBILITY

An Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the Jubilee Convocation of Loyola University at Los Angeles on Being Awarded an Honorary Degree of Doctor of Laws on October 22, 1964.

...May I begin by congratulating you on the dual jubilee which you will be celebrating in the course of the present academic year. It is a full century since St. Vincent's College, the precursor of your own, was first established in the then village of Los Angeles. And it is 50 years since the tradition established by St. Vincent's College was resumed under the auspices of the Jesuit Order, with all the single-minded devotion and labour for which the Order is so justly reputed. It is a proud and noble tradition that has been created here, in this great city of Los Angeles, and I am deeply honoured to have been made part of that tradition by being admitted to the academic community of Loyola University. You will understand me if I say that I regard the honour you have done me as having been conferred, in equal measure, upon my country as upon myself.

While this is an occasion of pride for your university -- of pride in the contribution which this university has been able to make to the building of a better and more responsible society in this city, in this country, and in the world beyond -- I know it is also an occasion of sorrow. Only a little over a fortnight ago, the Jesuit Order lost its revered leader, Father Janssens, who had presided over the affairs of the Order with wisdom and devotion for the past 18 years. It is naturally a source of gratification to us in Canada that Father Janssens should have designated a Canadian, Father Swain, to take charge of the Order until a new leader can be elected. I am sure we would all wish to express to Father Swain our confidence that divine guidance will attend him in the arduous responsibilities he has been called upon to assume.

Educational Explosion

You have asked me, on this occasion, to speak to you on the theme "Education for Responsibility", which is the theme you have chosen for your Jubilee. Any such theme, it seems to me, cannot leave out of account the tremendous explosion of education that has been one of the most significant features of the past several decades. In your own country, according to a study made some years ago by a Committee of Harvard University, enrollment in high schools multiplied some 90 times between 1870 and 1940 and enrollment in

colleges some 30 times. Yet, over the same period, the population of the United States increased only about threefold. The Harvard study also revealed that, while in 1870 about three in every four high-school graduates moved on to college, by 1940 three in every four high-school graduates were, in fact, being prepared not for life at college but for the college of life.

There are two important conclusions which, I think, we can draw from these figures. First, the explosion of education is only marginally related -- at least in the Western world -- to the growth of population. Second, the old aristocratic concept of education as being essentially for the few has been superseded by the concept of universal education. This is, of course, a natural evolution of concepts in a political environment which is itself dedicated to the enfranchisement of the individual as an informed and responsible member of a free and democratic society. Still, it is fair to suggest, I think, that the cumulative pace of that evolution has come as something of a surprise to all of us. It has certainly led to a situation in all our countries where serious thought is having to be given to the reallocation of resources in such a way as to accommodate more adequately the educational aspirations of our people.

One of the primary concerns of education is, of course, with the nature of knowledge. And one of the primary functions of knowledge, in turn, is to enable man to understand his environment. One reason, I am sure, why the pressure for more education has been growing at such an insistent pace is that the body of knowledge available to twentieth century man has expanded on a scale exceeding anything that the mind of preceding generations could have conceived. In respect of sheer competence, therefore, we simply need to know more today than we ever did before if we are to compete successfully in our particular sphere of life. The skill of man has devised techniques and produced machines that can be operated, in their turn, only by skilled men. Accordingly, if our people -- whether young or old -- are to be enabled to benefit from the opportunities which science and technology have opened up, they must acquire the skills and aptitudes that will allow them to do so.

Effect of Social Mobility

When I speak of new opportunities I cannot, in fairness, confine myself to the realm of science and technology. One of the great attributes of a democratic society is, surely, the opportunity it affords to all its citizens to advance according to merit. It is natural that this attribute of what we call social mobility should confer an entirely new value upon education. For it is essentially education that will enable a man to develop to the limit of his innate endowment and to assume in society the functions and responsibilities for which that endowment has fitted him.

I want to make it quite clear that, in this context, I am trying to deal with opportunity and not with opportunism. I am not essentially concerned with the pragmatic value of education as a vehicle for the status-seeker. What I am concerned with is the entirely new situation that was brought about when inherited status and inherited privilege ceased -- as they have over much of the Western world -- to be overriding factors in determining a man's position in society.

Social mobility, however much to be welcomed, is an essentially passive aspect of the operation of democratic society. It is the removal of a barrier, the dismantling of an obstacle to man's realization of his full potentialities. As such, as I have tried to suggest, it undoubtedly represents a crucial element in the educational explosion. But what is bound to be paramount, in any consideration of the theme "Education for Responsibility", is man's active involvement in society. For if the imparting of knowledge and information is the means by which education operates, the end of education -- in the teleological sense -- must be to produce free men responsibly involved in a free society and a free world.

Judgments and Standards

Over the centuries the mechanism of society has become more complex.. It has come to operate at many levels. It involves us in different capacities. It faces us increasingly with the need to make sophisticated judgments -- judgments as to what is practicable, what is right and what is true. It is of the essence of our rights as free citizens that we should be able to arrive at those judgments freely and independently. But it is also of the essence of our responsibilities as citizens of a democratic society that we should maintain and cultivate those standards and values and beliefs which we hold in common and which, indeed, are the attributes that give real meaning to the concept of society as such.

For the discretion to make those judgments in the light of all the diverse factors that have a bearing upon them, for the knowledge of those common standards and values and beliefs which are the cement that hold us together as a society and a community, we cannot but look to education. For it is education, broadly based and widely diffused, which alone can ensure that we exercise our responsibilities as free citizens with due regard for the common good.

I can do no better at this point than to refer again to the Harvard Committee Report on the Objectives of a General Education in a Free Society, which puts the argument as follows:

"The task of modern democracy is to preserve the ancient ideal of liberal education and to extend it as far as possible to all the members of the community.....To believe in the equality of human beings is to believe that the good life, and the education which trains the citizen for the good life, are equally the privilege of all. And these are the touchstones of the liberated man: first, is he free; that is to say, is he able to judge and plan for himself, so that he can truly govern himself? In order to do this, his mind must be capable of self-criticism; he must lead that self-examined life which, according to Socrates, is alone worthy of a free man. Thus he will possess inner freedom, as well as social freedom. Second, is he universal in his motives and sympathies? For the civilized man is a citizen of the entire universe; he has overcome provincialism, he is objective, and is a 'spectator of all time and all existence'. Surely these two are the very aims of democracy itself."

Science and Humanism

I am particularly attracted -- as you would expect me to be -- by the definition of the civilized man as being "a citizen of the entire universe". I shall return to that definition in a moment. But before I do so, I would wish to say a word about one aspect of education which I am convinced twentieth century man cannot afford to ignore. And that is the relationship between science and the scientific tradition, on the one hand, and what is broadly described as the humanistic tradition on the other. My own firm belief is that we cannot look upon these two constant strands of Western thinking and Western civilization as separable. Each has made a rich contribution to our cumulative Western experience and to the formation of Western man as we know him today.

There have been times when there might have been a tendency to diminish the contribution made by science. That is not, of course, a risk we are likely to run in our time. There is, however, a need to see this problem in proper perspective. We cannot, I think, any of us, discount the vast new opportunities which science and technology have opened up by mitigating the rigours of poverty, disease and hunger; by easing the drudgery of labour; by enabling us to communicate more extensively and more meaningfully with one another; and, generally, by increasing our control over the vagaries of our environment. In all these respects, the achievements of science have been instrumental in enlarging our horizon and the area within which we are called upon to exercise our responsibility. But we cannot do this by recourse to the scientific spirit alone. The exercise of this enlarged responsibility is a function of the complete man and the complete man must encompass the spiritual man, the man of moral commitment and religious conviction. It must also encompass the social man, by which I mean man as the product of his society and his culture. If the civilized man is truly to be "a citizen of the entire universe", then it surely requires a universally oriented education to fit him for his responsibilities.

I should like now to consider some of the circumstances in which we are called upon to exercise our responsibilities as world citizens. We all recognize, I think, that the world in which we live is a much smaller world than that of our ancestors. This has been the achievement, in large measure, of what we have rightly come to describe as a revolution in communications. As a result of that revolution, we know more about one another; we have a better understanding of one another's conditions and problems; we have become more conscious of the myths and prejudices with which man has always invested what is alien to him; we have been able to break down human barriers and, in a positive way, to interchange skills and ideas. In short, we are witnessing the genesis of a genuine world community.

Idea of World Community

The concept of a world community has a number of important implications. First it must be informed, as Dr. Radhakrishnan -- the present President of India -- once put it, by a "common conception". I would myself define that "common conception" in terms of the dignity of man and his equality in the sight of God. Second, the concept of a world community implies a continuing need to push outward the boundaries of knowledge and understanding. We must learn, in a figurative sense,

to speak the same language. Conversely, we must guard against the increasingly serious risks of a failure of communication. Third, we are bound to acknowledge the growing interdependence between the concerns and interests of one segment of the world community and those of another. If we look at any of the major issues preoccupying us today, we shall find that they cannot readily be treated in isolation or reduced to purely national dimensions. It has become almost a commonplace to say that peace and security are indivisible. The same is certainly also true of prosperity. Finally, I would say that the concept of a world community must be reflected, in one way or another, in effective world arrangements which will allow common problems to be considered and common solutions to be devised.

There is no better analysis of the need for effective world arrangements than the following passage, which is taken from Pacem in Terris, that great Encyclical letter of the late Pope John XXIII:

"Today, the universal common good poses problems of world-wide dimensions which cannot be adequately tackled or solved except by the efforts of public authorities endowed with a breadth of powers, structure and means of the same proportions: that is, of public authorities which are in a position to operate in an effective manner on a worldwide basis. The moral order itself, therefore, demands that such a form of public authority be established."

If we consider the world as it has evolved over the past two decades, we cannot but be struck by the extent of the road we have travelled towards organizing our activities on a worldwide basis. Indeed, there is scarcely a human concern that is not subsumed by the operation of one international organization or another. Nor are the results of this worldwide organization of our activities to be discounted. They have led to concerted attacks on famine, disease and illiteracy. They have led to a freeing of the flows of trade and capital. They have helped to mobilize the resources of the affluent world for the benefit of the less-developed countries. They have helped to disseminate the achievements of science and technology. They have been instrumental in evolving a forward-looking charter of human rights. And they have brought the disputes of nations within the compass of international scrutiny.

The World Re-shaped by the UN

This is not a mean catalogue of achievements. But it does not afford us any grounds for complacency. Much still remains to be done if we are to attain our objective of a sensibly-ordered world community. The main instrument that will help us achieve that objective is, I am sure, the United Nations system. In saying this I have no intention of discounting the many problems and crises which that system has been compelled to face over the past two decades and will, no doubt, continue to face in days to come. But I do feel that the United Nations has already evolved into something that vastly exceeds in magnitude the sum total of its member states. It has not become, as many feared it might, a mere debating society. Nor are its functions limited to those of a court of world opinion. The United Nations is actively engaged in the shaping of our world. It has involved many of us in the consideration of problems which, but

for our membership in the United Nations, would not have entered into the ambit of our preoccupations. It has become for a vast majority of its members the repository and custodian of their aspirations for a peaceful and prosperous world.

The world has never been static. As the philosopher Heraclitus put it, "you cannot step into the same river twice". And our world today is perhaps less static than it has ever been before. If the United Nations is to continue to reflect the needs and aspirations of all its members, it too cannot afford to remain static. Those of us who have a stake in the continuing viability of the United Nations have a twofold responsibility towards the organization. First, we must endow it with the capacity of serving as an instrument of peaceful change. Second, we will need increasingly to learn to identify our national interests with those of the world community at large, of which the United Nations is and remains the most important institutional symbol.

I should like now to say something about two issues on which there can surely be no conflict of interest in our day: the enlargement of world peace and security, and the creation of tolerable conditions of life for those three-quarters of mankind who do not at present have such conditions within their grasp.

Problem of Peace and Security

If we speak of peace and security, we can look at the problem in two dimensions. First, we are bound to think of the accumulation of destructive weapons which has taken place on both sides and which has led to what is sometimes described as a balance of terror. For the first time in our history, we have achieved something close to absolute military power. It may be -- and I put it no higher than that -- that the consciousness of the destructive power we wield will deter us from ever using it. That, at least, is the philosophy that lies at the root of the term "nuclear deterrent". But there are two reasons at least why we cannot be satisfied with the present state of things. First, the possession of the "nuclear deterrent" is no longer confined to three or four countries. The recent explosion of a nuclear device by Communist China is indicative of a trend that is likely to continue -- if only as a matter of chain reaction -- unless it is halted by positive action. Second, it is surely ludicrous that, in a century which has seen man achieve greater control over his environment than in any preceding century, we should not be able to build a better, more secure and more peaceful world order except under the compulsion of the law of fear. These considerations underline the need for meaningful progress in the field of disarmament. The agreement last year to ban all nuclear tests except those conducted underground was an important first step in that direction. We are entitled to hope that further progress can be made towards a balanced reduction of arms under proper international inspection.

I have spoken of disarmament as one of the dimensions of the problem of peace and security. The peace-keeping operations conducted under the aegis of the United Nations are another. These operations have had as their purpose to prevent fighting from breaking out or to put an end to such fighting where it has already broken out and to restore conditions that will allow a political settlement to be achieved. Canada has participated in all these peace-keeping

operations since 1948. We regard them as an important development in the evolution of United Nations responsibility for the maintenance of peace and security. We have recently made arrangements to set up a standby force to be available to the United Nations in future emergencies. We would welcome other countries similarly situated in the world doing likewise. At the moment, the ability of the United Nations to play its full part in keeping the peace is seriously weakened by the unwillingness of some countries, notably the Soviet Union, to contribute their due share of the peace-keeping expenditures of the organization. We regard this not merely as a financial matter but as one involving the collective responsibility of all member states of the United Nations. Article 19 of the United Nations Charter provides that a member state "which is in arrears in the payment of its financial contributions to the organization shall have no vote in the General Assembly if the amount of its arrears equals or exceeds the amount of the contributions due from it for the preceding two full years". The prospect at the moment is that this provision will have to be enforced against the Soviet Union and certain other countries at the commencement of the next session of the General Assembly. This is not a prospect which any of us can envisage lightly and I still hope the new Soviet leaders will recognize that their national interest in this matter is identical with the common interest of the world community.

As with peace, so with prosperity. It no longer makes sense, in an age of opportunity, that three-quarters of the world's population should see the gap between their living standards and those of the rest grow wider rather than narrower. This is a political problem in the sense that we cannot expect stability in a world in which affluence and poverty are so unevenly distributed. It is also an economic problem in the sense that we cannot achieve the full potential of our productive resources so long as the purchasing power of hundreds of millions of the world's inhabitants remains limited to the bare means necessary for their subsistence. It is also, in the last analysis, a moral problem, which each and every one of us must face as responsible citizens of the world community. We have recognized this moral problem in our own societies. We have devised arrangements by which resources are deliberately transferred to those segments of the community which do not yet have the economic strength to earn them by the sole operation of the laws of the market. We have taken significant steps to apply this concept on the international plane, by co-operating with the developing countries in their economic and technical development. I believe that the pace of this co-operation must be quickened and its scope broadened if the new forces that have been liberated in these countries by independence are to continue to be harnessed for the benefit of the world community at large. The United Nations Conference on Trade and Development that was held in Geneva earlier this year has created a new and deeper understanding of this problem and we must build on that understanding as we carry forward the work that was begun at Geneva. That, too, is a responsibility we share as "citizens of the entire universe", and one to which our education cannot afford to leave us indifferent.

In point of space and time, the world in which we live today is more nearly one world than at any previous period in history. If education is to do justice to such a world, it must be concerned not only with matters of knowledge and communication but with understanding. And that understanding, in turn,

cannot be limited to the conditions under which our fellow-men live in other parts of the world and to the problems they face. It must be focussed more and more on a common and co-operative approach to those problems. And beyond that, it must be focussed on the reality of change by reconciling what is best in our heritage with new thinking and new attitudes. If our education is to do all these things, it must be based on the notion of the complete man, the properly integrated individual. For only the properly integrated individual can be expected to play his part in bringing about a properly integrated world order. As for the attributes of such a world order, I can do no better than to quote once again from the late Pope John XXIII, who describes it as "an order founded on truth, built according to justice, unified and integrated by charity, and put into practice in freedom".

s/c



CANADA

Gov. Doc
3-11
E

CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/27

From a Speech by the Honourable Paul Martin,
Secretary of State for External Affairs, to the
Thirty-Seventh Biennial National Convention of
the Zionist Organization of Canada, Montreal,
October 26, 1964.

Mr. Chairman, Distinguished Guests, Ladies and Gentlemen:

I am deeply honoured by the invitation you have extended to me to speak to you on this occasion. As our preparations for the centenary of Canada's nationhood go forward, I have been reflecting on the fact that Canada's Jewish community has only recently passed a centenary of its own and will, within a year of the anniversary of Canadian Confederation, be celebrating another one. Indeed, these are not merely centenaries; they are bicentenaries. For it is just over 200 years ago that Aaron Hart settled permanently in Canada, the first Canadian of the Jewish faith to have done so. And it was only a few years later, in 1768, that the first Jewish congregation was established in Canada. In fact, as you know, it was established right here in the City of Montreal.

In these intervening two centuries, Canada's Jewish citizens have made a rich contribution to our national life and heritage. In business and industry, in the professions, in the academic sphere, in the arts and sciences, in the public service and in the realm of government, Canada's Jewish citizens have contributed out of all proportion to the size of their community. We look forward to the continuation of that contribution in the tasks that face us as a nation. We are determined to ensure in future, as we have in the past, that Canadian attitudes and the organization of Canadian life are such as to permit all segments of our people, irrespective of language, race or religion, to make their distinctive contribution to the greater Canadian community. We believe that this is the right approach for Canada. We also believe that it represents the right approach towards co-operation in an increasingly interdependent world.

I am also glad to have this opportunity of saying something to you about Israel, whose welfare and security are, I know, close to your hearts and at the centre of your deliberations at this convention. As many of you know, I had the privilege of visiting Israel in 1958. I have the warmest memories of that visit and of the generous reception and hospitality which were accorded to me on that occasion. I also continue to have deep admiration for the achievements of Israel, its amazing economic progress and vitality, its forward-looking social experiments and the imaginative way in which it has been able to absorb many diverse elements into its broad national life. These pioneer achievements

of Israel cannot but strike a sympathetic chord in this country, even though our last frontiers are delimited by snow and not sand. We have also been impressed by the way in which Israel -- itself a nation that has only recently emerged into the constellation of nations -- has proceeded to share its experiences and the fruits of its research and development with some of the other new nations that stand in such great need of the resources and techniques that will enable them to strengthen their economic and political independence.

The role which Canada played at the United Nations in assisting the emergence of the new state of Israel and the restoration of peace to the Middle East is one that needs no rehearsing to an audience such as this. It is a role we are proud to have played and one which, I am sure, subsequent developments have justified. Since those early days, Canadian links with Israel have broadened and multiplied. It is just a decade since a Canadian Embassy was opened in Tel Aviv and a little more than that since an Israeli Embassy was opened in Ottawa. Over that decade or so, many distinguished Israelis have represented their country in Canada. And many Canadians have had an opportunity of witnessing at first hand the great Israeli experiment which has consisted in welding the remnants of the Diaspora into a proud and self-conscious national community. All this has played a part in deepening the bonds of understanding between our two countries. The impressive pace of Israeli economic development has also resulted in a situation where Israel is now our largest export market in the Middle East. This is quite remarkable for a country with a population of only two and a half million and an area that would allow it to fit comfortably into the confines of Lake Erie.

Canada has, of course, a keen interest in the whole of the Middle East. This is not surprising, considering that we have, from the beginning, played a major peace-keeping role in the area. This role has not always been easy, and it has involved a considerable commitment of Canadian manpower and funds over and above our assessed share of the costs incurred by the United Nations. One thousand of about 4,600 men serving with the United Nations Emergency Force in the Middle East are Canadians and 17 of about 100 officers serving with the United Nations Truce Supervision Organization in Israel and its neighbours are likewise Canadians. We are happy, however, to continue our participation in these peace-keeping assignments in the knowledge that the Emergency Force and the Truce Supervision Organization play an essential part in maintaining stability and deterring conflict in the Middle East, a part which, I know, is fully recognized and appreciated by both Israel and by the Arab states in the area.

We very much hope that the time will come when these peace-keeping duties will no longer be necessary. We have, from the beginning, sought to support and encourage realistic and constructive initiatives looking towards a just and abiding settlement of the Palestine dispute. Pending such a settlement, we are concerned that nothing should be done which would not be compatible with the maintenance of peace and stability in the Middle East. It is part of that concern that there should be no recourse to threats aimed at the existence of Israel or any other state in that area. Canada's ability to play a useful role in the Middle East, whether as peace-keeper or as peace-maker, hinges,

of course, to an important degree, on our maintaining a policy of friendly and co-operative relations with all Middle Eastern countries. I am confident that such a policy, which carries with it the duty and responsibility of weighing and balancing the problems of the area on their merit, is one which commends itself to the Canadian people and which is understood by all our friends in the Middle East.

At your present convention you have been discussing the theme "The Zionist Programme in a Changing World". In selecting that theme, you have obviously been conscious -- as all of us are bound to be conscious -- of the very significant way in which our world environment is changing and of the need to take these changes into account in our approach to the problems that face us. The pace of change in our world environment could hardly have been brought home to us more graphically than by two recent events of far-reaching significance: the sudden and dramatic change in the Soviet leadership and the first explosion by Communist China of a nuclear device. Since this is the first occasion I have had, outside the House of Commons, of speaking to a Canadian audience since these events took place, I am sure you would wish me to comment on some of their implications, as I see them, for Canada and for the world at large.

I should like first to say something about the developments in the Soviet Union. It is instructive, I think, to compare these with the change of government which took place in Britain at almost the same time. In Britain this change came about as a result of an election, conducted openly and in accordance with the due processes of democratic practice. In the Soviet Union, by contrast, we witnessed the removal from the seat of power of a man who had for many years exercised a dominant role in the leadership of his party and his country with a suddenness and secrecy which surprised and astonished even the closest allies of the Soviet Union. Since this change was brought about, the world has not been allowed to know exactly what happened to Mr. Khrushchov or what, if any, role he might be allowed to continue to play in his own country.

It is inevitable that a change of government in a totalitarian regime should involve elements of surprise, perhaps particularly to the leader who loses power. It is equally inevitable, I think, that such a change of government should bring in its train certain consequential developments, the nature and extent of which it is not easy to foretell in advance. For, although the Soviet system has evolved a good deal since Stalin's time and is not likely to revert to his methods and policies, it remains true that, once the great log of the Soviet state starts rolling, it is difficult to know where and when it will come to rest and who may fall off in the process.

What we can say for the moment -- and it is a matter of some significance -- is that a relatively orderly transfer of power seems to have been accomplished in the Soviet Union on this occasion. The actual circumstances in which these events took place are still shrouded in a curtain of secrecy, as we would expect them to be in a system such as that prevailing in the Soviet Union. Until we have very much more information than we have at the moment, therefore, any attempt at an analysis of these events must, of necessity, remain in the realm of speculation. Nevertheless, the impact which a change in the Soviet leadership could have on world affairs is so important that, with the necessary reservations, such an analysis should be attempted.

We have been told officially that Mr. Khrushchov resigned his high posts because of illness and age. If his resignation had been voluntary, one would have expected it to be accompanied by paeans of praise and some preparation of the Soviet public for such a momentous event. Moreover, a short time after it occurred, we began to hear assertions from Moscow denouncing Mr. Khrushchov, without naming him directly, for various shortcomings, including what was alleged to be the very personal and arbitrary character of his diplomacy and decisions.

It is easy to surmise that there must have been disagreements within the Soviet leadership on certain important policy issues, but whether these related mainly to domestic affairs or to relations with the Communist countries of Eastern Europe or to relations with China or to relations with the free world is not yet clear. There are, of course, great problems for the Soviet Union in all of these areas which remain to be resolved.

In the domestic field there have been, notably within the past few years, deep-rooted differences within the Soviet leadership regarding the allocation of resources and priorities. I regard it as significant that, only a few weeks ago, Mr. Khrushchov once again vigorously defended his policies and views on these matters at an important meeting in Moscow widely attended by officials from all parts of the country. On that occasion, Mr. Khrushchov asserted that the needs of heavy industry had by now been largely met and that priority should henceforth be given to the well-being of the people and to the production of consumer goods. This public appeal over the heads of his colleagues may have seriously disturbed several members of the Soviet Party Presidium and of the Soviet defence establishment. It is an illuminating commentary on the Soviet system that an appeal of this kind, which was bound to evoke a welcoming echo among an overwhelming majority of the Soviet people, did not, in spite of the great popularity he enjoyed among the Soviet people, save Mr. Khrushchov from the censure of the Presidium. Under their system, a power struggle need have nothing to do with the contenders' ratings on any kind of Gallup Poll.

Mr. Khrushchov's policy towards Germany and its implications for Soviet relations with Poland, Czechoslovakia, and other East European countries, for the basic Soviet defence posture and for Soviet policy towards the West seems to me to have been another possible area of disagreement within the Soviet leadership. As a result of the Cuban crisis, Mr. Khrushchov, I think, realized that the achievement of expansionist Soviet aims in Germany and Berlin by a policy of confrontation with the West had become too dangerous a course to pursue. It is possible, therefore, that his desire to visit Bonn and to meet with Chancellor Erhard reflected a new and potentially significant departure in the Soviet attitude towards Germany. If that is an accurate reading of what lay behind Mr. Khrushchov's plans, more substantial adjustments in the course of Soviet policy towards Germany might have loomed on the more distant horizon. It can be assumed that such a prospect would have been far more disturbing to many of Mr. Khrushchov's colleagues than the policy which he had followed towards Germany in the past.

While the two policies are, of course, interrelated, Soviet relations with China must have played at least as significant a part as the German perspective in the decision of the other Soviet leaders to remove Mr. Khrushchov from office. His policy of moving towards a confrontation with China, at least at the party level, has already had a profound effect in helping to loosen the monolithic unity of the Soviet bloc and to weaken Soviet control over their former satellites in Eastern Europe. It has also affected the unity and strength of the Communist Parties in countries where they do not hold power and their attitude towards the Soviet leadership in Moscow. These corrosive effects of the dispute and the anxieties of other Communist Party leaderships on this score were dramatically brought to the attention of the world in a memorandum written by Signor Togliatti, the Italian Communist Party leader, which was published shortly after his death last month.

There has obviously and inevitably been deep perplexity and concern among all Soviet leaders about how to handle problems posed for the Soviet leadership by the challenge from Peking. This challenge had important implications not only for Soviet policy towards the West but also towards the non-aligned parts of the world, particularly in terms of Sino-Soviet competition for influence among the Afro-Asian countries. For the Soviet leaders, too, the situation must have been further complicated by the implications for the Soviet Union itself of the Chinese nuclear programme. There has been speculation about whether the timing of the Chinese nuclear explosion had any influence on the removal of Mr. Khrushchov. We cannot speak with any certainty about its effect. If the other Russian leaders were aware beforehand of the exact timing of the explosion, this may conceivably have been one additional factor in prompting a decision by the other members of the Soviet Party Presidium to oust Mr. Khrushchov immediately. For it would be a matter of importance to them to have Mr. Khrushchov replaced before rather than after the dramatic news of the explosion in China lest the impression be created that Mr. Khrushchov's replacement was a victory for the Chinese Communist regime.

As for the future, here again we are necessarily in the realm of conjecture. In domestic affairs the new Soviet Government does not apparently intend to abandon the policy of de-Stalinization, although it may tend towards a more cautious and traditional policy than that advocated by Mr. Khrushchov. There may be some changes in the priorities of allocation of scarce resources, including possibly less emphasis on consumer goods. Towards Eastern Europe there may be certain cautious modifications of Mr. Khrushchov's policy, with the aim of removing any impression that Moscow is going to be "soft on capitalism". I would expect no immediate overt abandonment of Soviet criticism of Chinese policy, but I would not be surprised if some attempt were made to lower the temperature of hostility and bitterness which now prevails in relations between the two big parties. However, the deep-seated and almost inevitable basic rivalry between the two great Communist and national power centres will almost certainly continue to affect their relations in one form or another for some time to come, above or below the surface.

In the relations of the Soviet Union with the West, we need not, I think, expect any dramatic developments but rather a continuation of the present situation. On the great questions of peace and war, the aims and the inhibitions of the new leaders may not prove to be very different from those recently demonstrated by Mr. Khrushchov, who, since the Cuban crisis, has shown considerable

realism and restraint on vital issues. Indeed, the new Soviet Government has seen fit to assure us officially that there will be no change in Soviet foreign policy either in its pursuit of peace or its policy of peaceful co-existence or its support for the United Nations. We have also been assured that the new Soviet Government will pursue the same policy towards Canada, seeking to improve bilateral relations in our mutual interest. May I say that Canada -- and, I am sure, other Western countries -- will be prepared to continue to explore with the Soviet Government all avenues that offer promise of yielding peaceful and equitable solutions to the vital issues outstanding between us.

We must expect that the new Soviet leaders will be concerned primarily to consolidate their new power and position and to feel their way forward very cautiously. The sharing of the top posts in party and government leadership between Mr. Brezhnev and Mr. Kosygin has been traditional after the death or removal of every supreme leader in the Soviet Union from Lenin's day on. In each case it was some years before the posts of Prime Minister and First Secretary of the Communist Party were again combined. Whether this pattern will be repeated again it is too early to tell. What we do know is that, throughout Russian history, there has been a tendency toward the concentration of power in a single ruler. This was as true under the Czars as it has been under the Soviet system. On the other hand, the Soviet people are rapidly becoming more educated and more sophisticated and these trends may well, over the longer term, lead to changes in the traditional pattern of political leadership. Meanwhile we can assume, I think, that there will be some uncertainty surrounding the position of the top leadership in the Soviet Union for some time to come.

I turn next to the explosion of a nuclear device by Communist China, which, I am sure, is a matter of deep concern to all of us. This test will probably be followed by others, increasing the level of radioactivity in the atmosphere at a time when, thanks to the partial test-ban treaty, hazards to health from that source had begun to decline. I deplore the fact that Communist China has in this way affronted the hopes of the world community as evidenced by the overwhelming adherence of countries to and support for the partial test-ban treaty, and has thus further isolated itself from world opinion.

The isolation of Communist China on nuclear questions has, of course, been evident since the signature of that treaty, to which the Chinese refused to adhere and which they have repeatedly denounced as a fraud. Probably because the Peking regime recognized that this stand tended to alienate world opinion, they proposed even then the holding of a world conference of heads of governments to discuss the complete prohibition and thorough destruction of all nuclear weapons. Now the Chinese have renewed this proposal, presumably in an effort to ward off, or at least to mitigate, world criticism of their nuclear test.

This is not to say that the Chinese proposal for a summit conference on complete nuclear disarmament should necessarily be dismissed out of hand. But we should not forget that the question of nuclear disarmament, important as it is, cannot be considered in isolation from the broader disarmament picture and, in particular, from the problem of conventional weapons and the need to reduce armed forces to safe proportions. As for the Chinese undertaking never to make first use of nuclear arms, while this is at present of little practical

significance, it is worth noting as a solemn commitment for the future and as a pledge given by Communist China to the non-nuclear countries of Asia.

What we will be watching for in the months ahead is an indication that Communist China is reacting with sober responsibility to the implications of having joined the "nuclear club". While as yet only a very junior member of that club, the Chinese should show themselves willing to assume some of the political responsibility and restraint in world affairs which characterizes the nuclear powers in their awareness of the terrible potential which they control.

For the immediate future, we may expect the Chinese posture on the international scene to be even more aggressive and arrogant than hitherto. Two contradictory forces could play upon the thinking of the Chinese leaders as their realization grows of the significance of this first step towards nuclear capability: one, an initial and not unnatural reaction of national pride and increased self-confidence, would incline them to greater truculence; the other, a gradual growth of apprehensive respect for the source of destructive power which they are acquiring, could lead them towards restraint, responsibility and prudence in the conduct of their policies. I would hope that, as time goes on, the urgings of pride and truculence will give way to a more sober assessment of the dangers of a world conflagration, an assessment which I am confident the Chinese are fully capable of making. Since their nuclear test, the Chinese have again said, in their picturesque phrase, that the atomic bomb is a paper tiger; closer contact with nuclear realities should make them realize that it is the beast of a possible Armageddon.

The aspects which I mentioned a moment ago as being grounds for regret and disappointment in connection with the Chinese nuclear test should not give rise to exaggerated concern. In my view, Chinese tests will have no immediate effect on the overall strategic balance. There is a wide gap between the ability to detonate a nuclear device and the possession of an effective nuclear capability. These facts of life will, I am sure, contribute to Chinese restraint.

I believe that the limited strategic implications of the Chinese test are generally understood. News of that test has been received with relative calm and restraint by the non-nuclear countries of Asia, and in particular by those countries which might believe themselves to be most directly threatened by a Communist China armed with nuclear weapons.

When we say that we deplore the fact that Communist China has seen fit to take the first step towards the development of nuclear weapons, we should, as a corollary, recall the position taken by other countries who have the technical and scientific capability to develop such weapons but have decided, as a matter of deliberate policy, to refrain from doing so. Canada is one of the countries to have taken that decision. India is another, and I should like to pay particular tribute to the Indian position in this matter. Only recently, and in the full knowledge that a Chinese test explosion could be expected in the near future, the Indian Prime Minister reaffirmed that position when he stated that India stands committed to use atomic energy only for peaceful purposes, and that Indian scientists and technicians are under firm orders not to make a

single experiment, not to perfect a single device which is not needed for the peaceful uses of atomic energy. In my opinion, the exercise of such wisdom and restraint reflects a true understanding of the interests of the Indian people no less than those of the world community at large. It also represents a real contribution to the maintenance of world peace.

Let me say this in conclusion: we are all concerned, in different ways, with the implications of a changing world. A changing world tends to be an uncomfortable world, one which confronts us with new perspectives and new problems. What is of major significance, however, is not so much the fact of change, which is part of the scheme of things, as its direction. And some of the important directions of world change over the last decade or two have surely, on balance, been beneficial. We have come to recognize the overriding importance to all nations of enlarging the area of peace and security. We have also come to recognize the importance of achieving a more equitable distribution of the benefits of material prosperity in the world. Above all, we have come to recognize that the interests of any single nation can no longer be artificially divorced from the interests of the world community at large. And we have acted on that recognition by co-operating over a very wide area in the framework of international organizations and institutions. These are solid achievements, and I am confident that they provide a sound basis on which to build for the future.

S/C



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/28

CANADIAN-UNITED STATES RELATIONS

Speech by the Honourable Paul Martin, Secretary of State for External Affairs, to a Joint Session of the Canadian Public Relations Society and the Public Relations Society of America, Montreal, November 9, 1964.

I am very glad to have the opportunity of addressing this joint meeting of the Canadian Public Relations Society and the Public Relations Society of America. I understand that this is the first time that the Public Relations Society of America has held one of its annual sessions outside the United States. May I, therefore, extend a particularly warm welcome to our American friends on this occasion. I am sure that this joint session of the two societies on Canadian soil symbolizes the friendly interchange of ideas that is both a continuing and a conspicuous feature of relations between our two countries.

The state of Canadian-United States relations is something which, I believe, can never be very far below the surface of our thinking. That is certainly so as far as Canadians are concerned. And I was encouraged to see Mr. Livingston Merchant, twice United States Ambassador to Canada, quoted on the cover of the current special Canadian issue of the Atlantic Monthly as saying for the United States that "Canada is more important to the United States than any other single country".

The nature of Canadian-United States relations is inevitably compounded -- as are the relations between any two countries -- of the elements we have in common and those in respect of which we differ. To say this is not to coin a commonplace. For the fact is that our relations are so close and cover so wide an area of our respective interests and concerns as to give them something of a unique character. And, because of their unique character and complexity, I believe there can be no real understanding of Canadian-United States relations without some understanding of the elements of which they are compounded.

Canada and the United States are neighbours on this North American continent which we share between us. Important segments of our people look back to common origins and speak a common language. Our public institutions are based on common assumptions as to the rights of the individual and the nature of a free society. We are partners in many endeavours, public and private, to promote our common interests and those of the world at large.

We have made common arrangements for our defence and are allies in the North Atlantic Treaty Organization. We carry on more trade with each other than any other two countries in the world. The same is true of the flow of investment capital across our borders. We are linked by a network of information media that is surely second to none. We are in contact with the same ideas and in large measure participate in a common North American culture.

These are the elements we have in common. In my view, they justify the conclusion that Canadians and Americans have a stake in each other. Inevitably, however, they raise the question which was recently put by Dr. John Conway in an article entitled "What is Canada". The question is this -- are Canadians, then, "simply a variant of the American republic, shaped by the same forces, governed by the same beliefs, based upon a political philosophy which is all but the same"?

Dr. Conway answers the question in the negative and that, I think, is how most Canadians would answer it.

This brings me to some of the differences that distinguish what I might call the Canadian situation from that of our friends and neighbours to the south. It is true that, between us, we share the North American continent. But, while we share it, we fill it very unequally. There are only some 19 million Canadians against about ten times that number of Americans. Moreover, these 19 million Canadians are concentrated along a narrow belt immediately adjoining the United States border, leaving the rest of our vast country relatively sparsely settled.

This pattern of settlement is largely related to our climate. But the important point to remember is this -- between them, our rigorous climate, the relative sparseness of our population and its diffusion over the breadth of a half-continent have important implications for our economic situation. They add to our overhead costs; they provide a productive base which is often too narrow to achieve the economies of scale that make for maximum efficiency in our modern, technological world; and they make Canada a great deal more dependent on outlets for our exports than is true of the United States. This has always been recognized by Canadians. We accept it as the price we pay for our nationhood.

This is another aspect of the Canadian situation in which we differ from the United States. We derive our nationhood from a process of historical evolution. We have never turned our backs on Europe as the United States did at a certain stage in its emergence as a nation. On the contrary, our two founding races have endeavoured to perpetuate their essentially European heritage, to adapt it to their North American environment and, as an ultimate objective, to weld it into a distinctive national pattern and identity. That, in essence, is the subject of the great dialogue which is engaging Canadians at this very moment.

There is one further point I should like to make about Canada, and it relates particularly to the part we play and can play in the world around us. Canada is a middle power. That term is now a matter of common usage, but I think it bears defining. When I speak of Canada as a middle power, I do not, of course, mean that we are in some way neutral or non-aligned on the big issues. That would

certainly be far from reflecting our position. What I do mean is this that, while we are not a country which, by its very size, strength and economic power, is able to determine these issues decisively, we nevertheless have the capacity and the resources to play a constructive and responsible part in world affairs. In this respect, too, there is, of course, a difference between the Canadian position and that of the United States, which is clearly a big power.

I wish now to say something about the problems we encounter in Canadian-United States relations. Some of these problems are based on special interests which governments on both sides of the border often find themselves in the position of pleading as part of their responsibility for the welfare of different sections and segments of their communities. Other problems between us involve substantial aspects of the national interest, whether it be defence or foreign policy or the balance of payments or the broad conditions of trade and investment. Such problems are an integral part of international life and the measure of our success in dealing with them in the context of Canadian-American relations is the extent to which we can achieve solutions based on the highest common denominator of the interests of our two countries. And, finally, there are problems in our relations which arise not as a result of any deliberate act of policy but simply because of the vast disparity of size and power between us.

I have so far spoken in general terms. I should now like to give you some specific examples of the problems that tend on occasion to trouble our relations with the United States.

First, there is the matter of resource management. It is our view that the natural resources with which this continent is so richly endowed should be regarded as a common asset to be used for our common benefit. We can see little sense in barriers being imposed on the free flow of these resources across our borders. There are indications that this view is coming to be more widely accepted and this is something we welcome.

Second, there is naturally concern in Canada whenever action is taken in the United States, in the tariff field or outside it, to restrict access to that market of this or that Canadian product. Restrictive action of that kind has to be seen in the special perspective of the Canadian-American trading pattern. In particular, we must remember that, in recent years, 19 million Canadians have tended to buy \$700 million more in American goods than 190 million Americans have bought from Canada. We must also remember that both our countries have an interest in the freest possible flow of world trade and that we are engaged in a common effort to reduce world trade barriers through the "Kennedy round".

Third, there is the matter of our balance of payments. We have for some years now encountered deficits in our payments balance that are greater than we should like. The position has improved somewhat in the last year or two, but we must look towards further improvement. This means, in essence, that we must be able to improve our trading balance with the United States. We are aware of the concern of the United States about its own balance-of-payments situation. I should remind you, however, that Canada has made a

positive contribution to the United States balance of payments in an amount averaging something like \$600 million a year over the past decade or so.

Fourth, we have had to rely on substantial inflows of capital to help meet our payments deficit with the United States. This has added to our external debt. It has also made our economy more vulnerable than we should like it to be to disruptions in the flow of international capital. Furthermore, while we have welcomed and continue to welcome the investment of United States capital in Canada, which is now in excess of \$18 billion, this has inevitably faced us with certain problems relating to foreign ownership and control of segments of our economy.

Fifth, there have been occasional differences between us in the foreign policy and defence fields. Such differences -- as over relations with Cuba or trade with Communist China -- are, however, the exception rather than the rule. In substance, our two countries have a similar outlook on world affairs; we are close allies and partners in many areas of international co-operation and, by and large, where there are differences between us, they tend to be matters of emphasis and tactics. We in Canada acknowledge the primacy of the United States in the leadership of the free world, and I think it is fair to say that the United States, for its part, acknowledges the role Canada has played -- and which it would not have been open to the United States to play -- in such fields as international peace keeping.

I have left to the last the problem which is presented for Canada by its contiguity to the United States, coupled with the size, the vitality and the drawing power of that country. This is a problem which has been with us from the beginning and, I suppose, will be with us in the foreseeable future. In essence, it is the problem of our separate and distinctive identity. For my own part, I like to think of it not so much in terms of a problem as in terms of a challenge -- a challenge to our determination to manage our affairs sensibly, to develop our national strength and unity, and to play a responsible part in the world at large.

It is in the nature of things that our bilateral problems should figure prominently in Canadian-United States relations and that pressure for their solution should at times be both urgent and insistent. I am glad to be able to record some important achievements in this field over the past year or so.

We have carried out our intention to maintain close and continuous contact between the two countries at all levels, to ensure "that the intentions of each may be fully appreciated and misunderstanding avoided".

We have settled the issue of nuclear weapons for Canadian forces at home and abroad and for United States air-defence forces in Canada in accordance with previous Canadian commitments.

We have been able to reaffirm and elaborate the principles governing the defence production-sharing programme which is so important to our Canadian industry and which is now nearing the billion-dollar mark in mutual procurement.

We have been able to secure exemption for new Canadian issues from the Interest Equalization Tax.

We are engaged in discussion with the United States looking towards a more rational pattern of trade in automobile parts between our two countries.

We are likewise engaged in a fresh study of our bilateral air relations.

We have been able to restore conditions in which shipping can move freely on the great waterways between Canada and the United States.

We have agreed with the United States on the appointment of a high-level group to look into the possibility of working out acceptable principles which would make it easier to avoid divergencies in economic and other policies of interest to each of us.

We have been able to complete and ratify the treaty covering the development of the Columbia River. This I regard as the most important single achievement of the past year and as a landmark in continental co-operation.

This concludes my review of some aspects of Canadian-United States relations. Perhaps I could sum it up like this -- Canada and the United States each has an important stake in the security and the prosperity of the other. Inevitably, however, there is a disparity in our respective capacity to influence developments and thinking in the other country. Because of this disparity, which in itself reflects a disparity in population and in power, it is essential that public opinion in each of our countries is made aware -- and is kept aware -- of the concerns of the other. It is on this note that I should like to close and to wish you success in your deliberations during the remainder of this week.

s/c



Gov. Doc
CAN
E

DEPARTMENT OF EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/29 Speech by the Honourable Paul Martin, Secretary of State for External Affairs, at the Dinner for Delegates to the Meeting of Military Experts to Consider the Technical Aspects of UN Peace-Keeping Operations, Ottawa, November 5, 1964.

** Paragraph delivered in French

Distinguished Delegates and Guests:

May I say, first of all, that it has been a pleasure and a privilege for Canada to act as host country for your meeting this week.

** We are very conscious of the honour paid to us by the presence here in Ottawa of so many persons with long and distinguished careers in the military and diplomatic services of your home countries. This is tangible evidence of the importance which our 23 governments attach to the peace-keeping concept and of our common desire to work towards the full realization of the peace-keeping potential of the United Nations.

We are also honoured by the presence of a representative of the Secretary-General. It has been a pleasure for us to have Major General Rikhye at this meeting in the capacity of an observer.

In some respects this meeting is a landmark on the road we have travelled towards a co-operative approach to the problems of international peace and security within the focus of the United Nations.

A few years ago a meeting of this kind would not have been possible. It is of some significance that today the employment of military forces for peaceful purposes under the auspices of the United Nations is recognized as filling a practical need in the conduct of international affairs, and those of us who look upon these peace-keeping operations as something involving our responsibility as members of the world community are bound to take them into account in our national planning.

This development is truly revolutionary in its character. It has evolved over the years in such a pragmatic and gradual fashion that we have still to appreciate its full implications for thought and action on the international plane.

Yet much has already been done to give shape and substance to this new concept of peace keeping - "the adaptation of the military art to the task of maintaining the peace".

I was interested to read a press report the other day that a point of view expressed in the corridors during the conference - certainly not on your agenda - was that United Nations peace-keeping operations may perhaps have been too successful, with temporary United Nations military solutions militating against permanent political solutions. If I may be permitted at this late stage to join an argument which perhaps never really took place, I submit that, as civilized human beings and servants of governments pledged to uphold the Charter, we can never accept the idea that a single death or the degradation and misery of a single family is not too high a price to pay for a so-called permanent political solution. We must not succumb to the temptation to assume that if you don't win, you lose; to see things in terms of black or white, or right or wrong, and to ignore the fact that there can be shades of grey. We must never lose sight of the fact that even if we fail to achieve all that we set out to do, and even if all we accomplish is perhaps to maintain an uneasy status quo or stabilize an uncertain demarcation line, this in itself can often be counted as a genuine contribution to the maintenance of peace.

The basic principles governing the use of United Nations peace-keeping forces were first developed under the guidance of Dag Hammarskjöld. They have been patiently and painstakingly refined under Secretary-General U Thant. Experience has shown that it is possible to inject an international armed force into situations of the greatest danger and difficulty provided the force is used for clearly defined and restricted purposes, is fully under control of the organization, acts impartially at all times, and maintains its primary posture of arms for defence.

For those of us who have shouldered responsibility in these operations, there has been the problem of how we can best render this service and how we can most effectively respond to United Nations requests for assistance in future peace-keeping operations.

This in essence has been the subject matter of your meeting, the first of its kind to be organized.

Our thought in arranging this conference was to provide an opportunity to pool and share the experience which each of our countries has gained in contributing to successive United Nations operations. Each of us, it was hoped, would have much to learn from the experience of others.

The agenda you have been discussing was prepared primarily with operations of the nature and scale of UNEF, ONUC and UNFICYP in mind. I believe, however, that a good deal of the subject matter of your deliberations will prove to be of value also in the conduct of smaller, but no less onerous and dangerous, extensions of the UN presence in trouble-spots around the world. The operational and logistic problems that have been faced by UNMOGIP, UNTSO and UNYOM, for example, have, in their own way, been every bit as difficult as for larger operations. I should like to pay tribute to the selfless service and devotion

to duty of the soldiers and civilians who, over the years, have cheerfully accepted this thankless duty in the interest of peace.

I hope you will conclude your discussions tomorrow with the feeling that this series of informal meetings in an atmosphere that permits a frank and honest exchange of views has been worthwhile. Your agenda was a very heavy one. If this meeting has helped to stimulate and provoke thinking about these important practical problems it will have served its purpose.

The Secretary-General has pointed out that the United Nations must maintain and develop its active role in the keeping the pace. There is, in his view, no acceptable alternative method of keeping peace in the world to the steady and sound development of the peace-keeping functions of the United Nations. To quote U Thant:

"However improvised and fumbling the United Nations approach may be, we have to develop it to deal with the sudden antagonisms and dangers of our world, until we can evolve more permanent institutions...The pioneering co-operative efforts made by the United Nations to keep the peace ... constitute vital steps toward a more mature, more acceptable and more balanced world order. We must have the confidence and the means to sustain them and the determination to develop out of them a reliable and workable system for the future".

This meeting is a step in that direction. It has shown the value of consultation and co-operation among governments with a common interest in improving the peace-keeping machinery of the United Nations.

This meeting has also shown that it is entirely possible to discuss the practical side of United Nations peace keeping without diverging into the field of political controversy.

It was held with the understanding that there would be no commitment as regards future developments. The reason for this was a simple and obvious one - it is not for a conference such as this to take decisions on matters which can only be definitively resolved within the strict constitutional framework of the United Nations.

But this meeting has, I am sure, created a more understanding climate for future discussions of these problems. What is important is that, after many years of improvization, there is an opportunity to make some progress on the practical side. It is a door to a more rational and systematic method of organizing, supplying and directing these operations.

On balance, I trust you will feel that this meeting helped to identify the problems and to make some progress towards their solution.

Perhaps the vital point is that what is most important about this conference lies beyond the meetings which conclude tomorrow. If the conference leads to other things, to better preparedness on the part of each of our governments, to an appreciation of the other's difficulties, to further consultation and liaison, then surely no stronger case can be made for it. It is this point which is at the heart of my impressions of your conference.

s/c



CANADA

GOV. Doc
CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/30

Notes from the Remarks of Prime Minister the Right Honourable L.B. Pearson at the Opening of the Meeting of Military Experts to Consider the Technical Aspects of United Nations Peace-Keeping Operations, Ottawa, November 2, 1964.

Mr. Chairman and Gentlemen:

I am pleased to welcome you to Ottawa on behalf of the Government of Canada. I am doubly pleased because your meeting to consider the important aspects of United Nations peace-keeping operations is the result of a proposal which I put forward to the United Nations General Assembly last year. At that time, speaking for the Canadian Government, I said:

"We would be happy to share our experience with others who have participated with us in UN peace-keeping operations in the past, as well as with those who might wish to do so in the future.

"To this end, we propose that there should be an examination by interested governments of the problems and techniques of peace-keeping operations."

When I made this proposal I hoped that such an examination might lead to closer co-ordination of stand-by forces for UN service, as well as to better mutual understanding of the techniques of peace keeping. As long ago as 1957, it was my view that we should "pool our experience and our resources so that the next time we, the governments and peoples whom the United Nations represents, will be ready and prepared to act". This is still my view.

I realize, nevertheless, that in these matters we must advance with all deliberate speed. Dag Hammarskjold once put it in these terms:

"World organization is still a new adventure in human history. It needs perfecting in the crucible of experience and there is no substitute for time in that respect."

It is this "crucible of experience" which brings you together today. Your purpose is to exchange views on the basis of common experience in peace keeping, on the vital technical and military aspects of UN operations and, as a result, to put yourselves in a better position to respond to possible future demands for action under the blue flag of the United Nations.

Needless to say, no government commits itself to respond to such possible future demands by the United Nations just because it has participated in this meeting. That is a decision for governments to make in the light of all the circumstances at the time. But a government which does so respond will have benefited, I know, from the presence of its representatives in Ottawa this week. So, too, will the United Nations have benefited, and I am glad to note, in this respect, the presence here today of a distinguished representative of the Secretary-General.

Too often, in the past, we have been unprepared to meet peace-keeping emergencies. Nor is it reasonable to believe that such emergencies will not happen again - perhaps without warning. The United Nations itself may be prevented by circumstances from taking action to prepare for such emergencies. We all know the difficulties that lie in the way of such United Nations action. But member governments can, indeed must, do a great deal on their own initiative. And who is more aware of this need than those of us who have made major contributions to peace keeping in the past, or who have made it clear we are prepared to be of assistance in the future?

May I say in conclusion that Canadians take pride in the fact of your meeting here. Canadians have participated in every United Nations peace-keeping operation since 1948. Successive Canadian Governments have always sought to strengthen the capacity of the United Nations to preserve the peace. I myself have been privileged to be associated with these efforts for many years.

We do not expect miracles. As Secretary-General U Thant pointed out in his address to the Canadian Parliament on May 26 last, what we can expect is "a sound and gradual development of thought and action at the national and international levels, if, in this matter of peace keeping, we are to profit from the lessons of the past and plan and act for a more stable and happier future". But that is also the least we should expect. I am confident that the meeting which begins today will carry us forward yet a little closer towards that goal.

S/C



Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/31

NATO: THE STATE OF THE ALLIANCE

Speech by the Honourable Paul Martin, Secretary of State
for External Affairs, at the International Day Meeting
of the Rotary Club of Windsor, November 23, 1964.

Mr. President, Ladies and Gentlemen:

I welcome this opportunity of speaking to you on the state of the North Atlantic Alliance. Canada has a vital stake in the welfare of the Alliance. We are not only one of its founder members but played an acknowledged part in bringing it into being. As Lord Ismay, the first Secretary-General of NATO, once put it, it was Canada which was responsible for turning "a general reflection into a practical possibility". I would go beyond that and say that the North Atlantic Alliance represents a conception that is responsive in a special way to Canada's own historical experience and provides a framework in which Canada is able to play a useful independent role as a responsible middle power.

There is at present much talk of a crisis in the Alliance. But we must not be unmindful that there has been talk of a crisis in the Alliance, off and on, for a number of years. This is essentially a matter of semantics and, while I would not wish to discount in any way the seriousness of some recent developments, I do not think that talk of crisis helps us very much towards a practical appreciation of the state of the Alliance. Such an appreciation, in my view, must be based on two propositions:

First, the common interests of the members of the Alliance in the face of the major problems confronting us -- including those of defence -- continue to be preponderantly greater than the differences that separate us. I say this not in any spirit of complacency but as a statement of simple fact.

Second, there have inevitably been changes in the relationships within the Alliance over the 15 years in which it has been in existence. The changes, which are related essentially to the economic recovery and political resurgence of Western Europe, should not be looked at as being detrimental to the interests of the Alliance. On the contrary, they are calculated to increase its resilience and its strength. They do, however, point to the need for some rethinking of the arrangements of the Alliance, and that, as I see it, is the task upon which we must now embark as a matter of urgency.

If there have been changes within the Alliance there have also, of course, been changes in the context in which the Alliance is operating. The Soviet world is no longer anything like the monolithic entity it was in the early stages of the cold war confrontation. There has been an element of reassertion of national identity and national interest in the countries of Eastern Europe. There has also been a growing rift between the Soviet Union and China, a rift which ostensibly relates to ideological interpretation, but into which factors of national interest also enter to a very considerable degree. The Soviet Union itself is facing many of the problems of a sophisticated modern economy -- the problem of growth, the problem of technological change, the problem of reconciling competing claims on a limited aggregate of resources, and the problem of adapting traditional doctrine to the dictates of practical reality. The Soviet Union also faces the manifold problems and responsibilities that go with great-power status and great-power commitments in a rapidly changing world.

All this has tended to alter the configurations of the cold war. The development of a more extensive pattern of economic, cultural and scientific exchanges between the Soviet world and the West is evidence of this. So is the agreement on a limited nuclear test ban which was signed in Moscow in August of last year and to which 107 countries have now adhered. But we cannot afford to lose sight of the obverse side of these developments. We cannot afford to lose sight of the fact that, as little as two years ago, the Soviet Union was apparently ready to plunge the world into nuclear conflict. We cannot lose sight of the fact that there has been no significant reduction in the Soviet forces facing the Alliance. We cannot afford to lose sight of the fact that there is continuing deadlock between us and the Soviet Union on the crucial problems that divide us -- on disarmament, on German reunification, on Berlin. We are hopeful that these problems may be amenable to a reasonable solution through patient negotiation, and that is the policy we are pursuing through the Alliance. We are also hopeful that the change in the leadership of the Soviet Union will not diminish the readiness of that country to negotiate with us in a positive spirit. For the moment, however, I can see no reason why we should not continue to be vigilant in our policies. Nor do I think this is a time when we can afford to be indifferent to the state of the Alliance on which, individually and collectively, we depend -- and will continue to depend -- for our security.

One of the central features of the Alliance has, of course, been the United States commitment to the defence of Europe. At the present time, the United States is maintaining close to 400,000 fully-equipped men in Europe, and these forces are backed by the overwhelming power of the United States strategic nuclear deterrent. There is no one in Europe, I think -- and M. Pompidou, the Prime Minister of France, affirmed this only the other day -- who would dispute the fact that the defence of Europe would be impossible in present circumstances without this United States commitment.

If that is accepted, what then is the meaning of what has been called "the European revolt against the American nuclear monopoly"? The answer, I suggest, may be put as follows: The Europeans feel that there has been a change in the balance within the Alliance. Specifically, they would argue that Europe is now immensely more stable, more prosperous and more powerful than it was in 1949, when the Alliance was founded. They would argue further that this dictates

a review of the arrangements of the Alliance with the object of enabling them to participate in a more meaningful way in the nuclear decisions of the Alliance. There has also been a lingering and intermittent doubt in some European minds as to whether, in the face of potential retaliation against its own cities, the United States would, in fact, be prepared to use its nuclear deterrent unequivocally in the defence of Europe in the event of a nuclear attack.

I have spoken of the European point of view generally because I believe it is true to say that many of the major European countries feel that, in one way or another, the arrangements of the Alliance should reflect greater recognition of European aspirations and of European security requirements. That view has, of course, been held most strongly by France, which believes that these requirements can be met only in the context of a purely European defence policy and which has proceeded in that belief to build up its own national nuclear force.

For its part, the United States is prepared to recognize what Mr. W.W. Rostow, the Chairman of the Policy Planning Council of the State Department, described in a speech last June as the "natural desire of major European countries to play a larger role in strategic deterrence". It is the American view that the best way of meeting that desire is by closer integration and not by a fragmentation of nuclear capabilities, which, they feel, is a course that would be bound to have undesirable implications for the political posture of the Alliance. The concept of closer military integration, I might say parenthetically, is one to which the Canadian Government fully subscribes.

It is against this background that the proposal has been put forward for the establishment of a multilateral force. Such a force would comprise up to 25 surface ships, manned by mixed crews, and carrying a total of 200 "Polaris" missiles. The force would be owned and financed jointly by the contributing countries and controlled by them. In putting forward this proposal, the United States have argued that it would do three things:

First, it would add to the total strategic strength of the Atlantic Alliance.

Second, it would give the Europeans a real share in strategic planning and a voice in the control of the strategic deterrent in time of crisis. By doing this, it would also diminish the risk of further proliferation of nuclear weapons.

Third, it would give tangible substance to the United States commitment to Europe, and thus to the concept of transatlantic integration.

It is only fair to say that, while this multilateral-force project has commended itself to a number of European countries (notably Germany), it has recently engendered considerable opposition in France. The French have argued that such a project would not give Europeans any real control over the bulk of the strategic forces of the Alliance, which are American; that it is

incompatible with the French concept of European defence; that it would be specifically incompatible with the spirit of the Franco-German Treaty of Alliance which was signed in January 1963; and that, for all these reasons, it is more likely to divide than to reinforce the Alliance.

In recent weeks there has seemed to be a serious risk that these conflicting points of view on the multilateral force might be heading towards a collision. There were reports that France might consider withdrawing from NATO -- if not from the Alliance as such -- if the agreement to set up the multilateral force were proceeded with on the basis then under discussion. Since then there has been general agreement not to press forward with this project by any particular deadline. This is a turn of events which we in Canada welcome. It will allay, for the time being at least, the risk of irreparable damage being done to the unity and integrity of the Alliance. It will give all of us pause for further thought as to how these problems -- which, of course, transcend the issue of the multilateral force -- can best be tackled. And it will provide the new British Government with an opportunity to formulate ideas which they are known to be formulating and which, as the British Prime Minister suggested in his speech at the Lord Mayor's Banquet a week ago today, would be aimed at underpinning the concept of collective security in an interdependent alliance.

Against this general background, I think it would be useful for me to set out clearly the Canadian approach to the Atlantic Alliance and to the problems it faces at this time. We have never accepted the limitation of purpose that is implicit in any definition of NATO as being solely a military alliance directed to the defence of Europe. Rather, we have looked upon it as an instrument for bringing together the Atlantic nations in an Atlantic community united as closely as possible in policy and in purpose. That is why we have always attached the utmost importance to the broadest possible range of consultation on the problems confronting the countries of the Alliance, and why the name of Canada has been particularly associated with those provisions of the North Atlantic Treaty which envisage co-operation in the non-military sphere.

It is inherent in our historical experience and evolution that we should regard as vital the transatlantic nature of the Alliance. As the Prime Minister put it when he opened the ministerial meeting of the NATO Council in Ottawa in May of last year: "The Atlantic nations must come together in one Atlantic community. The West cannot afford two such communities, a European one and a North American one, each controlling its own policies and each perhaps moving away from the other as the common menace recedes". We do not believe, therefore, that continentalism, whether European or North American, is compatible with the Canadian interest.

We also do not believe that in the nuclear age the continental approach provides an effective answer either to the defence of Canada or to the defence of the Alliance, which, in our view, are indivisible. We would be concerned, therefore, about any trend towards the fragmentation of Atlantic defence. We would be particularly concerned if such a trend were to affect the pre-eminent part which the United States has played and is bound to continue to play in ensuring our collective security. By the same token, we could not conceive of an effective

Alliance in which France was not participating in a way that was commensurate with her position in the world or in which there was an irretrievable cleavage between France and her NATO partners. We regard the contribution of France as essential to the Alliance and she forms, as Mr. St. Laurent once put it, "an integral part of the framework of our international life".

We acknowledge the claims of the European members of the Alliance to a greater degree of participation in the nuclear arrangements of NATO. We still think that these claims can be met within the existing machinery of the Alliance. We shall be exploring our ideas with our friends and partners over the next few weeks. We believe, above all, that we must now embark on a real dialogue between those holding different views as to the best way of providing for our collective security. I need hardly say that the outcome of that dialogue will be of crucial importance to Canada, as it will to the Alliance as a whole.

s/c



GOVERNMENT OF CANADA
DEPARTMENT OF EXTERNAL AFFAIRS,
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 64/32 PEACE KEEPING: SOME PROSPECTS AND PERSPECTIVES

Speech by the Honourable Paul Martin, Secretary of State for External Affairs, to the McGill Conference on World Affairs, Montreal, November 21, 1964.

Mr. Chairman, Ladies and Gentlemen:

I am honoured to have been asked to address the closing banquet of this eighth annual McGill Conference on World Affairs. I recall with pleasure my attendance at your conference last year. I have also been impressed, over the years, with the contribution these conferences have made to Canadian thinking on issues of current importance in the field of international affairs. I want to say how much, in particular, I welcome the opportunity you have provided for members of the academic community and those professionally concerned with international affairs to meet and exchange their ideas and interpretations of these issues. I am sure there has been mutual benefit in that kind of exchange.

For this year's conference you have selected the theme "Disarmament and World Peace". As part of that theme you have asked me to say something about the concept of peace keeping. I think it is right that I should do so for two reasons: first, because peace keeping is perhaps -- as the introduction to a recently published staff paper of the Brookings Institution puts it -- "the most revolutionary development yet to occur in the field of international organization"; and second, because Canada has played an acknowledged part in the development of this concept and has participated in more United Nations peace-keeping operations than, I think, any other member state of the world organization.

The concept of peace keeping has evolved pragmatically in response to specific situations. It has not evolved along the lines envisaged by the framers of the United Nations Charter. Three examples will serve to illustrate the extent of the divergence:

First, the only explicit reference in the Charter to the establishment of United Nations forces for the maintenance of peace and security occurs in the context of action with respect to threats to the peace, breaches of the peace, and acts of aggression. As things have developed, however, peace-keeping forces have been called into action with the object of preventing trouble and they have invariably operated with the consent of the host country or countries.

Second, the part played by United Nations peace-keeping forces has been essentially impartial. That is to say, these forces have not attempted to identify themselves with either party to a conflict and have not attempted to enforce any particular political solution of pending problems.

Third, the peace-keeping operations of the United Nations have been dependent on the voluntary co-operation of member states in making contingents, supplies and transport available to the organization. That is because it has never been possible, for political reasons, to conclude the agreements envisaged in Article 43 of the Charter, under which military forces were to be placed at the disposal of the Security Council for the purpose of maintaining international peace and security.

The system contemplated in the Charter was, of course, based on the concept of collective security. And that concept, in turn, was predicated on great-power agreement and on the overwhelming superiority of military power derived from the forces of the permanent members of the Security Council. When it turned out that great-power consensus could not be established, it was inevitable that the system itself should prove unenforceable. Only on one occasion -- in Korea -- did the United Nations conduct an action to repel aggression more or less in accordance with what had been envisaged in Chapter VII of the Charter. But that was a special and unique situation, and I think we must accept it as a fact of international political life that, in the foreseeable future, the concept of peace keeping is likely to evolve in a substantially different direction.

I said a moment ago that the concept of peace keeping has developed in response to specific situations. Because these situations have varied in both nature and scope, it is difficult to arrive at any comprehensive definition of the term "peace keeping". If an attempt at generalization is to be made, however, I suppose it would be fair to say this:

First, peace-keeping involves the interposition of an international presence in one form or another.

Second, the object of peace keeping is, essentially, to prevent violence from breaking out or to contain and curtail it where it has already broken out. United Nations forces are strictly debarred from taking the initiative in the use of armed force and, indeed, may use it only as a last resort.

Third, peace keeping is designed to create or restore, as the case may be, an environment in which a peaceful solution of the problems at issue can be at least contemplated.

Fourth, while peace keeping is not itself a form of conciliation or mediation, it has been specifically coupled with mediation in some situations and has served to underpin the carrying out of mediatory solutions in others.

So far, peace keeping has been pre-eminently the province of the middle and smaller powers. One reason for this is that countries seeking a United Nations peace-keeping presence must be concerned to avoid the complications that could result from great-power involvement. For their part, the great powers would seem to have an interest of their own in letting the international community act in situations which, if not contained, might have the effect of extending the area of great-power confrontation. But if great-power acquiescence in peace keeping has been tacitly assumed, the extent of that acquiescence is still very much at issue. And it is an issue that is likely to confront us in critical form at the very outset of the General Assembly session which opens in New York in ten days' time.

The form in which the issue arises at this particular juncture is financial. In essence, the Soviet Union and its allies maintain that the Security Council alone can initiate, direct and prescribe the financial arrangements for operations to maintain the peace. They argue that certain peace-keeping operations -- those in the Middle East and in the Congo -- were not undertaken in conformity with the proper constitutional procedures as they see them, and that they are, therefore, illegal. That being so, the Soviet Union has refused to bear its due share of the expenses of these operations, and it has maintained that refusal, even in the light of an advisory opinion of the International Court of Justice (subsequently sustained by the General Assembly), which declares these expenses to be "expenses of the organization" payable by all member states. This is a situation which is naturally of concern to those who agree with the Secretary-General of the United Nations that peace keeping represents a vital step "toward a more mature, more acceptable and more balanced world order". What is at stake here is not merely -- or, indeed, mainly -- the solvency of the United Nations. What is at stake is a predictable United Nations capacity to intervene effectively in future situations involving peace and security. For it is obvious that the capacity of the United Nations to do so would be weakened if it were left to individual member states to decide, in each case, whether or not to contribute.

We have come a long way in evolving a meaningful peace-keeping concept in the United Nations context. I am confident in my own mind that the progress we have made cannot and will not be reversed. But this implies that some agreement can be reached on the financial issue of which I have spoken. Such an agreement, as I see it, must encompass both aspects of the issue -- the matter of past financial arrears and the working out of equitable financing arrangements for future peace-keeping operations. As far as Canada is concerned, we firmly believe that, except in those cases where particular circumstances dictate particular arrangements, the cost of United Nations peace-keeping operations should be regarded as an obligation to be shouldered in common by the United Nations membership. This is the objective towards which we have always worked and towards which we shall continue to work. We agree with the Secretary-General that a sound basis must be created "for providing the United Nations in the future with the sinews of peace".

Finance has, of course, been only one of the problems that has confronted the United Nations in mounting its peace-keeping operations. The provision of adequate forces and logistic support for those operations has been another. In the nature of things, the United Nations has had to rely on ad hoc

arrangements to meet each situation as it arises. Some countries, it is true, have set aside standby units within their regular forces, or separately recruited, to be available for service with the United Nations if required. This, has, I am sure, been helpful to the United Nations and will do something to mitigate the need for improvisation which has tended to characterize past peace-keeping operations and for which the United Nations has -- quite unjustly -- been criticized in some quarters. The fact is, nevertheless, that forces still have to be assembled at short notice, that these forces reflect differences not only in language and tradition but also in training, equipment and staff procedures, and that they have to be welded into an effective peace-keeping force under difficult and often delicate conditions in the field.

This is a problem which is not capable of any simple or immediate solution. As I have tried to suggest, no two peace-keeping operations have been exactly alike. By the same token, it may well be difficult to devise a method of planning that would take account of all situations calling for the employment of a United Nations force. Nevertheless, it seemed to us that there had been a good deal of experience accumulated in past peace-keeping operations and that there might be some value in correlating that experience and turning it to good account.

It was with that object in mind that the Canadian Government took the initiative in convening the conference which met in Ottawa from November 2 to 6. It was attended by representatives from 22 out of the 28 countries invited, most of them military officers. Major General Rikhye, the Secretary-General's military adviser, attended as an observer. May I say that I was much impressed by the high quality of those who were delegated to represent their governments at the conference. I took this as evidence of the importance which was attached to the conference by all participants.

The purposes of the conference have been much misrepresented in certain quarters. It was convened essentially to enable countries with experience in United Nations peace-keeping operations to compare notes, to identify and survey the technical problems that have been encountered, to pool our experience in meeting those problems and to see how, individually, we might improve our response to the United Nations in future situations requiring the services of an international force. There was no attempt made by the conference to reach formal conclusions or to chart any forward course of collective action. There was, likewise, no attempt by the conference to consider questions relating to the authorization, control or financing of peace-keeping forces. The conference recognized that these were questions belonging properly within the jurisdiction of the United Nations itself. And, finally, I want to make it quite clear that the conference did not discuss the earmarking of standby forces for United Nations service, though I have no doubt that the experience of those who have done so should be helpful to others who may decide to adopt such a course at some future time.

In making these observations I am concerned to put the conference in proper perspective. I am also concerned to deny allegations made in a Soviet memorandum which was conveyed to me on the eve of the conference. That memorandum alleged that the conference was designed to consider the earmarking of special military contingents for participation in United Nations peace-keeping

operations; that its objectives were "directly connected with the general course of certain powers aimed at using the United Nations in their special interests"; and that it envisaged the "creation of a military apparatus on a collective basis by a number of states members of military blocs with the aim of conducting military operations in the interests of this group of states under the cover of the United Nations flag". I have had occasion to deny those allegations before and I do so again this evening. They completely distort the intentions of the Canadian Government as sponsor of the conference and they impugn the good faith of those who accepted our invitation.

Although this was an informal, working-level conference, involving neither collective action nor collective commitments, I think the discussions fully justified our decision to convene it. If I were asked to summarize the results of the conference, I would say that it has achieved three things:

First, it has helped to clarify and focus the appreciation of delegations of the practical problems involved in peace keeping;

second, it has done something to improve the capacity of the participating countries to respond more rationally and more effectively to future appeals by the United Nations; and

third, I am hopeful that the conference will have been instrumental in creating more understanding climate for the conduct of peace-keeping operations in the future.

There is no doubt in my mind that there will continue to be a need for peace-keeping operations. I say this in no spirit of pessimism or misanthropy but because our generation has witnessed great political and sociological changes which will take time to work themselves out and which cannot be counted upon to do so without some element of upheaval. I also regard peace keeping as part of the process by which the members of the international community have tended, over the past two decades, to organize their activities increasingly on a world basis. The focus of many of these activities has been the United Nations, and it is right and proper that the United Nations should also be the focus of our preoccupations with the problem of world peace. I am encouraged to think that the readiness with which countries have been prepared to call upon the United Nations to keep the peace is evidence of the extent to which that view is already shared. And finally there is the more distant prospect of a disarmed world. I need not remind you that both major parties to the disarmament negotiations have accepted the need for a United Nations peace force at that final stage of the disarmament process. As the joint statement of agreed principles to which they subscribed in 1961 puts it, such a force should be able to ensure that the United Nations "can effectively deter or suppress any threat or use of arms in violation of the purposes and principles of the United Nations". If that is a distant prospect, it does not diminish the current and crucial importance of strengthening the capacity of the United Nations to keep the peace. Only if this is done can we be sure that we are coming within reach of a more rationally ordered world society, which is itself a condition of a world without arms.



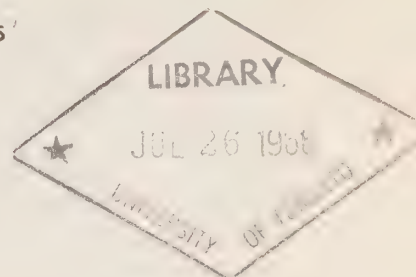
Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

Canada, DEPARTMENT OF EXTERNAL AFFAIRS

(OTTAWA - CANADA)



No. 64/33

THE ECONOMIC PRICE OF CANADIAN INDEPENDENCE

Speech by the Minister of Finance, Mr. Walter L. Gordon, to the Sixth Annual Industrial and Municipal Relations Conference, on the Theme "United States Investment in our Communities and Industries", Peterborough, Ontario, October 28, 1964.

I welcome this opportunity to speak to you this evening, especially in view of the theme you have chosen for your meeting....

For some time this question of massive non-resident investment in Canada has been widely debated in academic, business and editorial circles. It was the subject raised most often in the briefs and submissions presented in 1955 and 1956 to the Royal Commission on Canada's Economic Prospects, of which I was chairman. That Commission, in its reports dated December 1956 and November 1957, was unanimous in pointing out both the great benefits of foreign investment and also some of the dangers. Referring to foreign-controlled subsidiaries and branch plants, the Commission suggested:

- "(a) Wherever possible, they should employ Canadians in senior management and technical positions, should retain Canadian engineering and other professional and service personnel and should do their purchasing of supplies, materials and equipment in this country.
- (b) They should publish their financial statements and make full disclosure therein of their Canadian operations.
- (c) The larger Canadian subsidiaries should sell an appreciable interest (perhaps 20 per cent to 25 per cent) in their equity stock to Canadian investors and should include on their boards of directors a number of independent Canadians."

The Commission said that it was desirable that Canadian control of the Canadian chartered banks and life insurance companies should be maintained. It suggested that appropriate action be taken to prevent any substantial measure of control of these institutions from coming into the possession of non-residents.

Now, seven years later, we are just beginning to come to grips with the proposals of that Royal Commission. Not everyone agrees with them. And yet most of us can agree, I think, upon the importance of the subject. That is why I am happy to see you have chosen this theme for your discussions. I hope many more organizations will follow your example. The views and conclusions which Canadians form on this subject, and the resulting decisions which they and their governments take, will have a vital bearing on the future of our country.

Let me begin by saying that I have no fears about the kind of foreign investment that can be paid off at some time in the future, out of profits or from rising incomes. After all, the United States economy got its real start in the last half of the nineteenth century with foreign capital -- mostly British capital. But the great bulk of that capital was in a form which could be paid off at maturity and, in fact, this was what happened.

One change that was made in the Canadian tax laws in the summer of 1963, which did not attract as much attention as I believe it deserves, was the relief from withholding tax on interest paid on Canadian bonds and debentures sold to non-resident institutions that are exempt from tax in their own country.

For example, most American holders of Canadian bonds pay U.S. taxes. They can offset most or all of the Canadian withholding taxes on the interest they receive from the taxes they pay to Uncle Sam, so they are not out much, if anything. If we were to drop our withholding tax in such cases, the only effect would be to reduce the revenues of the Canadian Treasury in order to benefit the United States Treasury. That would be an act of generosity which this country cannot afford and which our American friends are too affluent to need.

But the fast-growing pension trusts in the U.S. do not pay taxes in that country. That being the case, it has not been in their best interests to buy Canadian bonds on which the interest was subject to Canadian withholding tax. It was to secure access to this new and great potential market for our bonds that the change in our tax laws was made last year. Now, after obtaining the necessary certificate from the Department of National Revenue, the city of Peterborough, for example, is in a position to sell its debentures to a U.S. pension trust without being required to deduct the 15 percent Canadian withholding tax from the interest payments. Not only will this make Canadian bonds more saleable but it will help to keep interest rates as low as possible.

But what worries some people, myself included, is that so much of the foreign capital invested in Canada is not in the form of bonds or other fixed-term securities, which can be paid off some day, but, instead, is in the form of equity investments that can never be paid back if the foreign owners do not wish to sell. The most recent figures available show that at the end of 1961 our total foreign liabilities had reached \$27.8 billion, and nearly half of that amount, \$13.7 billion, was in the form of direct investment in foreign-controlled branch plants and subsidiaries. This means that much of Canadian industry -- certainly a very great deal of our big industry -- is controlled by absentee owners more or less indefinitely. I do not believe this to be healthy.

In the early fifties, at a time when a broad expansion of Canadian industry in all sectors was under way, but, most importantly, in the resource sector, one could begin to point to key Canadian industries in which a relatively few companies controlled by non-residents pretty well dominated the industry. The role of non-resident firms was pre-eminent, for example, in the oil and gas industry. Foreign-controlled firms were dominant also in aluminum, iron ore, asbestos, in most sectors of the chemical industry, and in at least three important secondary manufacturing industries -- automobiles, electrical apparatus and appliances, and rubber products.

Since the early fifties, direct investment from abroad has continued to flow into Canada in significant volume. In certain key sectors of our economy, foreign ownership and control has reached very high proportions. The latest figures available, which are for 1961, indicate that non-residents control almost 70 per cent of the value of investment in petroleum and natural gas, 59 per cent in mining and smelting, and almost 60 per cent in manufacturing. This means not only that the key decisions respecting Canadian industry are made by people who live outside our borders but also that our industrial companies are affected directly by events and conditions that prevail elsewhere. For example, the largest company in Ontario was closed down recently because its parent company in the United States was strikebound....

There are those who say the advantages we gain from these relationships far outweigh the disadvantages. Certainly, foreign investment in the key sectors of the economy I have mentioned has helped the development of our country faster than it might otherwise have happened. It has given us access to technological, scientific and managerial skills that otherwise it would have taken us longer to acquire. And, in the case of some of our great producers of industrial raw materials, it has provided the assurance of markets without which some of the developments would not have been able to proceed.

Nevertheless, no other economically-advanced nation has such a large proportion of its industry controlled from outside its borders. Let us not pretend the advantages I have mentioned have been an unmitigated blessing.

Some of our greatest difficulties in Canada have been caused by the fact that, year after year, we have bought more goods and services abroad than we have sold abroad. The difference is known as the current-account deficit in our balance of payments with other countries. This current-account deficit has been offset by capital inflows -- including both the capital we have borrowed, which we hope to pay off in the future, and the capital invested here in Canadian subsidiary companies and Canadian resources.

This situation -- the incurring of a deficit in our transactions with other countries -- has been going on for years. In good times it hasn't seemed to matter so very much. The capital inflow has helped to develop the country quickly and borrowing for this purpose can properly be justified. It is more questionable, perhaps, when it means transferring to non-residents equity investments and the right to make decisions that affect our lives and interests.

But in bad times it makes no sense whatever for Canada to buy more goods and services abroad than we sell abroad. From 1958 to 1962, for example, we had unused resources and great numbers of idle people in this country. And yet we kept on going into debt to foreigners and selling off our Canadian companies to them in order to pay for the things we wanted to import. This did not make sense. In effect we were importing unemployment.

The situation is much better now than it has been for some time, but we have a considerable way to go before any of us can feel satisfied. We are still running a substantial deficit on current account in our balance of payments -- and, while unemployment is lower now (on a seasonally-adjusted basis) than at any time since 1957, there are still too many people unemployed in some parts of the country.

The best way to correcting this situation is not to restrict imports but to expand our export trade. In practical terms, if we are to be successful in doing this, we shall have to increase our exports to the United States. (We have a surplus on current account with other countries and a huge deficit in our transactions with the U.S.) Furthermore, we shall have to increase very considerably our exports of processed and fully-manufactured goods. This must be a major goal of Canadian economic policy.

But, as I have said, some 60 per cent of Canadian manufacturing industry is controlled by non-residents, mostly Americans. And most of their wholly-owned subsidiary companies were established here to service the Canadian market -- and at one time to take advantage of Commonwealth preferences. We know there must be greater rationalization, greater concentration, greater specialization, all aimed at mass production, and a greater share of the North American market. In other words, we know we must increase our exports to the U.S. That is why so much stress has been laid on the automobile programme. It is imperative that we obtain for Canada a fair share of total North American production. Our difficulty is to persuade the absentee owners of these Canadian subsidiary companies to reorganize them, to streamline their production and to permit them to export to other countries, including the United States, if necessary, in competition with their parent companies.

If the basic decisions for so many of our manufacturing companies continue to be made in the United States (and in other countries), we may not be successful in bringing about the kind of reorganization, the kind of expansion and the kind of new thinking that will be needed. This is the crux of the problem we are faced with.

That was the reason why last year's budget contained measures to encourage wholly-owned subsidiary companies controlled abroad to take in Canadians as partners in both the ownership and direction of their affairs. This was done in two ways -- by a lower withholding tax on dividends paid to non-residents and by very valuable tax incentives for industrial expansion. The purpose is to bring more Canadians into the decision-making processes of these companies, from the boards of directors on down through the lower management levels. Such a development will greatly increase the likelihood that these firms will be sensitive and responsive to Canadian interests and Canadian objectives.

Several firms have acceded to the expressed wishes of the Canadian Government in this matter... The Government has made it very plain it expects other companies to follow these examples.

More recently, the Government has proposed a further step in its programme of retaining and gradually of increasing Canadian control of key sections of the economy. Legislation affecting future foreign ownership of federally-incorporated life-insurance, trust and loan companies has been introduced in Parliament. It has been announced that a similar policy will apply to chartered banks. The legislation will provide for continuation of existing Canadian control over these financial institutions. The importance of this step is obvious. It will ensure that the direction of the investment of the huge pools of savings in the hands of these companies will rest with Canadian boards of directors and management -- not with people in other countries who do not have the same close knowledge of, and interest in, Canadian development.

The legislation will also widen the investment powers of insurance, trust and loan companies, including the ability to invest a greater proportion of their assets in common shares. It is hoped and expected that the easing of present restrictions will encourage these institutions to use their funds to increase the degree of Canadian ownership in enterprises in this country. The new measures should reinforce the policy begun last year to encourage Canadian partnership in foreign-controlled companies.

These new policies which have been introduced by the Government in the last year and a half are fair and they are reasonable. They do not constitute, as some have suggested, a harsh and repressive climate in which foreign investors cannot develop with and profit from our country's growth. We should not -- and have no desire to -- penalize established companies which have invested in Canada in good faith. And we must bear in mind that, for some time to come, Canada will need foreign capital in one form or another.

Furthermore, the measures we have taken are far from being unusual or unique. Other industrialized countries have acted to influence and direct the nature and degree of foreign investment in their industries. Among them are such countries as Switzerland, France, Sweden and Japan. Other countries have taken the further step of ensuring that their financial institutions do not pass into non-resident hands. And yet none of these countries is in quite the same situation as Canada, where the extent of foreign control is much greater and where the bulk of it rests within a single, very powerful and vigorous, though friendly, next-door neighbour.

Let us be realistic about this question. There is a price to be paid for Canadian independence. So far in our strenuous but, for the most part, successful history, Canadians have been willing to pay that price when the issues were made clear to them. In this case the issue we have been discussing is not easy for most people to comprehend. Let me put it to you this way:

There is no country in the world that can make any pretense of being independent if it does not control its own communications media, its own financial institutions and, in one way or another, the general nature of

the decisions made by those who direct its basic industries. We Canadians must place ourselves in this position if we wish to retain our national identity and a reasonable amount of national independence. In this, to a large extent, we should equate political independence with economic independence. I say this because no nation, including Canada, can pretend to be independent politically if it surrenders too much economic power to the residents of other countries.

Sir Wilfrid Laurier said the twentieth century belonged to Canada. That may have been a bit of an exaggeration. Perhaps Sir Wilfrid, if he had lived, would have avoided some of the mistakes that have been made by those who followed in his footsteps. Nevertheless, I believe it is not too late for Canadians to be the ones to benefit the most from the great things that can be achieved in our country in the decades ahead. To do so, we shall have to be prepared to insist upon our national independence and all that this entails. Let's not settle for an easy life and second place. Let's be willing to make some hard decisions. Let's take full advantage of the tremendous future that can be ours if we have the courage and the will to take advantage of it. Let's do whatever we must do to be proud to call ourselves Canadians.

S/A



CANADA

GOV. OF CAN.
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/34

INTER-AMERICAN RELATIONS

A Speech by Senator John J. Connolly to the Sixth Inter-American Conference of Business Executives in Lima, Peru, on November 9, 1964.

The Government of Canada is honoured in the invitation extended to it by the Inter-American Conference of Business Executives to send a representative to this meeting. Originally it was suggested that the Prime Minister, the Right Honourable L.B. Pearson, should come. The Canadian Parliament is in session and, with regret, Mr. Pearson had to decline. I bring his warm personal greetings. I am here on behalf of all Canadians to pay tribute to their regard for the peoples of Latin American.

May I also say how impressed I was by the speech we have just heard from Dr. Bustamante y Rivero? Not only have we had further evidence that he is an eminent jurist and philosopher. His broad vision is that of a citizen of the world.

I need not say how delighted I am to be in Lima. Peru and Canada are far away from each other in one sense. Canada is the most northern nation in the Americas. On the west coast of South America, with one exception, Peru is the most southerly. Thanks to modern communications (and including Canadian Pacific Airlines), we are much closer in our generation than our fathers would have dreamed possible.

In Canada, we think of ourselves as a new country. That is generally true of the countries of the Americas. So it is a startling fact for Canadians to realize that Peruvians can produce evidence of civilization here, back to pre-Christian times. So, too, can Mexico and Guatemala and other countries. It is all part of a fascinating background. My countrymen should know more of the history of your lands.

At this stage of human history, there is no area in the world more generously endowed than the Americas. Its climatic variations run the full gamut between the North and South Poles. Culturally, it is essentially Western. Every European stock is represented. And the original stocks are here as well. The frontiers have been beaten back. Great resources have been discovered and developed. Families and homes have been established. But much remains to be done. We know the potential is here - the will, the means - and the people must be mobilized to realize it.

During this, my first short visit to South America, I have had two experiences which have impressed me deeply. Both are typical of the new, the imaginative, the responsible leadership in Latin America. One was the speech made here yesterday by the distinguished constitutional President of Peru, architect Fernando Belaúnde Terry. The other was a speech and a private interview I had with President Eduardo Frei, whose inauguration I attended on behalf of my Government in Santiago last week.

Canada is one of the very new countries of the Americas. We have not yet reached the one hundredth year of our Confederation. We will do this in 1967, and already we are preparing for the occasion. Some of you, I hope, will come to help us celebrate it, if not to attend the next meeting of PACCIOS at least to visit the Universal Exhibition in Montreal in 1967.

The territory of Canada is very large, larger than the territory of the continental United States. On the west coast, we have great resources - fisheries, forests, mines, petroleum, hydro - and the mighty Rockies stand guard over it all. The central plains - our Prairies - are our bread basket, and indeed the bread basket of many parts of the world. Its cattle production is very large. Its petro-chemical industry is expanding. Mining, especially gypsum, is being developed. The older provinces of Ontario and Quebec, in the Laurentian Shield, the Great Lakes and St. Lawrence basin, are where most of our people live. Mining, diversified agriculture, forest wealth, water-power, abound in this region. It is served by highly-developed transportation systems - including the St. Lawrence Seaway - a monument to the co-operative effort between Canada and the United States. In the past 50 years, Central Canada has been the heartland of our industrial development. Our manufactures are widely diversified. We export both consumer and capital goods - and, indeed, engineering and technical services and including management services from the private sector of the Canadian economy. The four provinces of the Maritime region are not so thickly settled. But it is an area of great possibilities and they are actively pursued in a planned development. And our Northland, our last frontier, with its undeveloped subsoil wealth, is exciting the interest of the adventurous and the intrepid. I say nothing about the Canadian scenery. Comparisons are odious, but I do say what I have seen in South America is magnificent and, being from Canada, I claim the experience of an expert.

Canada has less than 20,000,000 people. They are spread mainly now in a ribbon along the northern boundary of the United States from Vancouver Island on the Pacific to Newfoundland on the Atlantic. Our population is not homogeneous. The two founding races were of French and of British extraction. To them have been added Europeans and some Asians, all of great variety of ethnic origin. The conquest of the frontier in Canada has been my country's major domestic achievement. In many respects the work is done. But the knitting together of the parts and of the people continues to occupy our urgent attention.

In our external relations, after our colonial days, we looked principally in two directions. Firstly, to Western Europe, and especially to the United Kingdom; secondly, to the United States. We are a member of the British Commonwealth. Its head is our Queen. But, for some 40 years,

we have been, in substance and in truth, masters of our own destiny. We have become independent, not through revolution but through evolution. Anything that we might lack in the area of national sovereignty and independence is within our capacity to fashion for ourselves.

Domestically, Canada is master of her own destiny. In her foreign relationships, too, she makes her own decisions. The effort of the Canadian people in the late great war was a case in point. It was distinctively Canadian. Her troops in her three services were her own, and nearly half a million people were in uniform. She not only financed a war effort in the three elements but she provided aid in great amounts to some of her needy allies, without, in fact, accepting any foreign financial assistance.

Canada is a member of the North Atlantic Treaty Organization and has army and air-force personnel in Northwest Europe, and naval forces available to the Atlantic forces of NATO. Canada is also an active member of the United Nations. She has participated in every peace-keeping operation of the United Nations. To the current undertaking in Cyprus, Canada is making a substantial contribution. Twenty-five per cent of our budget of \$8 billion, or approximately \$2 billion, is devoted to defense, for NATO, United Nations peace-keeping efforts, and our bilateral defence arrangements with the United States.

It has been said that we try to do too much. Perhaps we do. But we believe deeply in the values for which the West stands, and our people remain prepared to help defend this ideal. Perhaps you would agree that Latin America would benefit indirectly from this work.

At home and abroad, if Canada should not continue to develop, "the fault...is not in our stars but in ourselves..." But, like any other peoples in the contracting world, she is dependent upon others for her continued progress. This is especially true in her trading arrangements. As time goes on, this fact must continue to engage the constant attention to her leaders.

But, like Antony, I come here not to praise Caesar. My tribute is to your people in Latin America, not mine.

The total population of Latin American is now more than 200,000,000. This is about the same as the combined population of the United States and Canada. I am informed that the projections to the end of this century indicate that, then, Latin American may have a population of 600,000,000 people, while the populations of North America may not exceed 300,000,000. In itself, this tremendous increase will present problems, not only for Latin America but for the West at large. Great economic growth will undoubtedly result, but social and economic problems will also flow from the increase. In the light of these facts, when the late President Kennedy stated that he regarded Latin America as the most critical areas in the world, he was right.

Canada has a presence in the Latin American countries. But, because of her preoccupation domestically, and in her external relations with Western Europe, the United States and the Commonwealth, this presence is not as extensive as it might be. Canadians have had substantial investments in public utilities in Brazil and in electrical enterprises and mines in some of the other countries here. At one time, Canadian life-insurance companies were more active in this region than they are now. Some of the Canadian banks have branches in the Caribbean area and in countries of South America, including the country in which I speak.

Canada's trade with the area in 1963 was valued at about \$650 million. More than two-thirds of this represents Canadian purchases from the region. A very large part of our imports from South America is made up of petroleum products originating in Venezuela. The sad fact is that only four or five per cent of Canada's world trade is with the countries of Latin America, and Canada is the fourth largest trading nation in the world.

In the past three years, the Canadian Government has provided export financing on a long-term basis for certain capital goods sold to developing countries. More than half of this business has gone to four Latin American countries, to a total value for this area of over \$100 million. This has included paper-mill equipment and engineering services in Chile and locomotives, and rails sold to Mexico. These credits have been provided through a government agency known as the Export Credits Insurance Corporation. As a member of the Canadian Government, I have participated in Cabinet decisions to extend these credits and I may say that my colleagues and I would be very happy indeed to have further opportunities to do so.

I may say that, as a member of the Economic Committee of the NATO Parliamentarians under the chairmanship of Senator Javits of New York, I participated in the discussions that led to the creation of the ADELA Investment Company. As you know, this is a private investment company for Latin America which has recently come into existence. It has been incorporated in Luxembourg and has a Swede as its first president. More than 50 industrial companies, banks and financial institutions in Western Europe, the United States, Canada and Japan participated in the initial subscription of \$16 million. Four Canadian banks and at least one other Canadian enterprise have subscribed to this fund, which is now in a position to provide financial, technical and managerial resources to private enterprise in Latin America.

In the field of religion, Canada's interest in Latin America has been increasing. It is not generally known that there are some 1,500 Catholic Canadian clerics here - parish priests, teachers, nurses and social workers, both men and women. Over 200 are in Peru alone. Most of these priests and nuns come from the French-Canadian segment of our population. I am particularly happy to say that my own Archbishop of Ottawa, the Most Reverend M.J. Lemieux, O.P., has been particularly active in this work. Representatives of the Baptist Church in Canada have been in Bolivia for some 60 years. There are various Canadian evangelical churches running hospitals and schools and others institutions in the area. Perhaps you would agree that this is a form of technical assistance. Canadian students working through the Canadian University Service Overseas are now in Colombia and Peru.

Approximately one-third of Canada's population is French-speaking. This, in itself, provides a basis of rapport between the peoples of Latin America, whose mother tongues are Spanish and Portuguese. The law of Quebec is based upon the old French civil law, which antedated the Code Napoleon. The lawyers of Latin America are brother civilians of mine.

Twelve of the Latin American countries consider Canada to be of sufficient interest to them to have diplomatic representation established in Ottawa. The Canadian Government, on its part, has representatives accredited to all 20 of the countries of Latin America and resident representatives in 14.

Through the United Nations, Canada participated in the work of the Economic Commission for Latin America and, through Specialized Agencies and other organs of the United Nations, Canada is making a substantial contribution to the development of the Latin American republics. Canada has been associated with the United Nations peace-keeping operations in the Congo with Argentina and Ecuador, in Lebanon with Argentina, Chile and Ecuador, and with Colombia in Korea.

Canada is not a member of the Organization of American States. Membership will probably come in time, if you want us, and when Canadian public opinion is more conscious than it now is of conditions in this region and of our own interests here. But this does not militate against closer ties of an economic, political and cultural character.

In the Government, we have followed closely the work of the World Bank in Latin America. Some of our export-credit facilities have been extended in association with the Inter-American Development Bank. The Canadian Government thinks that this kind of association with the Inter-American Development Bank is a worthwhile course to pursue and is working in this direction.

We have watched with interest, too, the development of the Latin American Free Trade Association and the Central American Common Market. Both have been patterned on the concept of the European Common Market. They are bold and progressive steps. We wish you well with them, because we believe they can do much to strengthen economies, open new markets, develop efficiency of production and raise standards of living. We would indeed hope, however, that these associations would look outward as well as inward, as we hope the European Common Market will do. Otherwise they can defeat their purpose. Our Prime Minister has, at all times, been an advocate of the freest possible trading arrangements. Philosophically, his and my Party is dedicated to the principle of the freest possible trade, in the belief that freer trade will strengthen the economies of the countries which develop it and, as well, create for the Western world overwhelming economic strength.

My Government attach great importance to the current GATT negotiations, the "Kennedy round". These are very significant meetings. They are significant to the industrialized countries; they are significant to countries like Canada which are increasing their industrialization; in my view, they are equally significant to developing countries. The West must be awake to the opportunities they present. In passing, I pay tribute to the leadership given by the United States in this field since the Marshall Plan was enacted.

Your countries, like our country, are rich in their resource industries but wider industrialization remains a goal for us all. Like you, Canada is working to this end. It requires investment capital in larger amounts than the domestic economy can always generate. It involves skills and crafts for which your people and ours must be highly trained.

Latin America is on the threshold of an era of broad industrial expansion. The overall framework within which a good deal of this expansion is to take place will be as established by such programmes as the Alliance-for-Progress, the original free-trade areas, to which I have referred, and the national policies of the individual republics.

It is most timely to examine within this framework the respective roles of the private and public sectors of the national economies. The history of my own country in realizing its own national - its continental - development may contain some helpful precedents to the problems now facing Latin America. The great continental undertakings in Canada - be they in the area of the transcontinental railways, or of communications generally, or of industry, or in the development of our natural resources - have all taken place through the joint effort of private interest and government. In some instances, governmental participation was of a direct nature, providing funds or fiscal guarantees, or, indeed, going beyond this and being developing agent itself. In other instances, government established a fiscal and economic climate for development in which private enterprise could, and in so many cases did, function effectively. This concept of "balanced" development is at the heart of Canada's economic well-being and has been achieved without losing sight of the objectives and respective roles of public and private activity in a national economy.

In countries like yours and ours, just beyond the frontier stage of development, we cannot afford the luxury of excessive government intervention. Government must, of course, make provision for the social services required especially by peoples who live in countries which have expanding industrial economies. Government must see to the social and economic needs of the people. Business must be aware of all this too, and must support the programmes.

I hope my coming here will be another token of the interest Canada has in the development of Latin America. We would like to be associated with you as you move forward, as your economies expand, as your population grows, as your great countries become greater.

s/c



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 64/35

CANADA AND THE UNITED NATIONS

Text of a speech by the Honourable Paul Martin, Secretary of State for External Affairs, to the Nineteenth Session of the United Nations General Assembly on December 8, 1964.

Mr. President:

May I begin by congratulating you on your election to preside over the deliberations of this Assembly? In electing you to this high office, the Assembly has given recognition, at one and the same time, to the distinguished services you have rendered to the United Nations, to the prominent part your country has played in the affairs of this organization, and to the growing stature of Africa in the world.

I would also wish to extend a welcome to the Delegations of Malawi, Zambia and Malta, who have joined our ranks for the first time. Their presence among us serves as a reminder of the transcendent political changes that have marked the first two decades of the existence of the United Nations. It also takes us yet another step closer to universality of membership, which was the great issue of our debates some ten years ago and which must remain our ultimate goal so long as any significant segment of the world's population remains unrepresented in this forum.

Your own country, Mr. President, and mine are associated with these three new countries in the Commonwealth. We regard the development of this association as an imaginative response to the political changes of which I have spoken. We believe that it provides a unique framework for constructive co-operation among peoples of different races, creeds and cultures. This co-operation rests on a partnership of equals, and it is designed for our common benefit. We have recognized that, if the Commonwealth association is to continue to be meaningful, we would have to meet the challenge of racial equality and non-discrimination which is central to our partnership. We have not sought to avoid this challenge but have met it firmly and unequivocally by pledging ourselves to work towards "a structure of society which offers equal opportunity and non-discrimination for all its people, irrespective of race, colour or creed".

We are now on the threshold of the twentieth anniversary year of the United Nations. On an occasion such as this it is fitting that we should look back on the record of our accomplishments and our failures. It is equally fitting that we should cast our glance forward into the future to survey the

opportunities that are open to us and the means we must deploy towards their attainment.

The United Nations was born of disenchantment -- disenchantment with an order of things which, twice in a single generation, had engulfed us in armed conflict with all the attendant destruction and human suffering. But the United Nations was also born of a determination to build a new and more rational world order based on constructive co-operation in the common interest of the world community as a whole.

It was the assumption and expectation of the framers of the Charter that along this course the United Nations would be sustained by the strength of resources of the great powers acting in concert. As matters developed, this assumption was not fully realized. This has slowed the pace of our progress towards a more rational world order. It has not diminished the impetus which must inevitably lead us in that direction.

Indeed, when we look back over the past two decades, we are bound to be struck by the extent to which we have come, over an increasingly wide area, to organize our activities on a basis of international co-operation. There is scarcely an area of human concern which we have not brought within the focus of one international organization or another. We have joined in concerted attacks on famine, disease and illiteracy. We have co-operated in freeing the flow of trade and capital. We have begun to mobilize the resources of the affluent world in support of the efforts of the developing countries. We have made arrangements for disseminating the achievements of science and technology. We have collaborated in drawing up a Charter of Human Rights. And we have endeavoured to work out ways in which the disputes of nations can be contained and brought within the compass of negotiated solutions. In short, we have recognized that international co-operation, far from being incompatible with our national interests, is in many areas the most effective as well as the most enduring way of securing them.

This is, I think, a creditable record of achievement. It surely demonstrates that the United Nations has not become, as many feared that it might, a more debating society. But it does not afford us any grounds for complacency. The world in which we live is one of change -- change on a scale, and at a pace, unprecedented in the affairs of men. If the United Nations is to become the dynamic instrument of governments which the late Dag Hammarskjöld envisaged, it must not only be able to meet our present needs but must have the capacity to serve as an instrument of peaceful change.

Already the focus of emphasis in the United Nations has shifted. And it has shifted, in large part, as a result of the emergence to independent nationhood of countries which now constitute more than half of our total membership. These countries are seeking to broaden out the basis and the meaning of their newly-achieved independence. They are seeking to provide improved conditions of life for all segments of their populations. And they are seeking to absorb the impact of the scientific and technical revolution of the twentieth century in conditions of reasonable social and economic stability. These are formidable tasks. They cannot be accomplished by these countries acting in isolation. They can be accomplished only in a co-operative world environment.

Inevitably, the new balance of forces in our organization has brought in its wake problems that will need to be met. For my own part, I am confident that they can be met. I say this because it is surely in the interests of all of us that the United Nations should continue to command the widest possible support of those who are involved in the determination of policy in its member states. Clearly, the greater the size of our membership and the more diffuse the interests represented in our deliberations, the more important it becomes that the conclusions we reach and the recommendations we put forward should reflect the broadest possible consensus of views. In this respect, I am encouraged by the new emphasis that is being placed on the instrument of conciliation as one best calculated to reinforce the effectiveness of the United Nations. Conciliation was responsible, in large measure, for safeguarding the results of the United Nations Conference on Trade and Development. Conciliation was also instrumental in enabling this Assembly to embark on its work this year in circumstances which we, Mr. President, regard as among the most critical which the United Nations has had to face in the 20 years of its existence.

The crisis we face is not merely a financial crisis. Nor is it limited to constitutional issues. It is a crisis which touches upon our whole conception of the United Nations as the custodian of international peace and security. It is a crisis on the outcome of which hinge the hopes and aspirations of the vast majority of its members for a peaceful and securely-ordered world.

Canada attaches the highest importance to the concept of peace keeping. We regard the evolution of that concept, as distinct from the concepts envisaged in Chapter VII of the Charter, as affording the most significant example of the vitality of the United Nations and its capacity for change in response to changing circumstances. Peace keeping has evolved steadily from the designation of an Observer Group to assist India and Pakistan in avoiding further conflict in Kashmir to the despatch of a United Nations Force to the island of Cyprus earlier this year. This is a period which is almost coterminous with the whole period of existence of the United Nations. Increasingly, over this period, there has been recourse to, and reliance upon, the United Nations presence to prevent unstable situations from erupting into open conflict.

Because of the importance which Canada attaches to this development and the implications it has for the maintenance of world peace and security, we have participated in every peace-keeping operation mounted by the United Nations since 1948, and we have done our best to meet its calls for logistic and financial support. We have also, over the past eight years, maintained a stand-by force which is available on short notice should it be requested by the United Nations for participation in duly-authorized peace-keeping operations.

The same motives which prompted us to respond readily to the calls of the United Nations also prompted us, last month, to convene a conference in Ottawa for the purpose of taking stock of the practical experience which has been gained in past peace-keeping operations. The Conference was attended by representatives from 23 countries, and I am pleased to take this opportunity of paying tribute to the excellent work they did. There was no attempt made by the Conference to produce formal conclusions or to chart any forward course of collective action. I am confident, however, that the Conference has done

something to improve the capacity of the participating countries to respond more effectively and more rationally to future appeals by the United Nations.

Since the conclusion of the Conference, I have been encouraged to note the proposal of the Secretary-General that the whole question of advance planning for peace-keeping operations be studied by the United Nations. In putting this proposal forward in the introduction to his annual report, the Secretary-General expressed the hope that such a study might "yield recommendations for consideration by the competent organs", which may then authorize him "to proceed along such lines as may be generally approved". Canada strongly supports this proposal, and we will naturally be prepared to play our full part in carrying it forward at the appropriate time.

The availability of properly trained and equipped forces is one element of an effective United Nations capacity to keep the peace. The availability of the necessary financial resources on an assured basis is another. It would be tragic, indeed, if, in a future crisis, the United Nations were debarred, for lack of funds, from intervening in the cause of peace.

Canada has always supported the view that the responsibility for maintaining peace and security is one which is shared by all member states of the United Nations. We regard it as a logical consequence of that view that the cost of peace keeping must also be shared equitably by all, with due regard to their relative capacity to contribute. We believe this principle of shared responsibility to be inherent in the Charter, and we find ourselves confirmed in that belief by the advisory opinion of the International Court of Justice. According to that opinion, the expenses incurred by the United Nations in the Middle East and in the Congo are expenses of the organization and the assessments for them approved by the General Assembly are binding assessments.

I am bound to acknowledge that some important member states do not share our view either of the principle or of the law involved. In circumstances where the five Permanent Members of the Security Council between them are responsible for meeting two-thirds of the costs of our organization, the dissenting views of two of these Permanent Members are clearly of critical importance. The divergence between their views and those of the majority of members have set us on a collision course which, if not diverted, can only have the gravest consequences for the United Nations, whatever the outcome. In this situation, it is incumbent on each and every one of us to reflect on the implications of our present course and to explore all avenues of reaching an accommodation to which we can all subscribe.

The vital importance of this problem has, of course, been recognized for some considerable time. As far back as 1961, the Canadian Delegation, in an effort to find a solution to this problem, sponsored the proposal which led to the establishment of the Working Group of 15. In this Group -- and subsequently in the Working Group of 21 --, we sought actively to reconcile the fundamental divergences of view which have threatened the capacity of the United Nations to keep the peace. We deeply regret that it has not proved possible so far to arrive at any accommodation.

Such an accommodation must be found. If it is to be found, there will need to be a willingness to make concessions on all sides. I am confident that, in the same spirit of conciliation which has attended the opening phase of this Assembly, the necessary concessions can and will be made. Agreement on this issue is vital to the future of our organization, but I believe it will also have implications beyond the United Nations. It could be as important as the nuclear test-ban treaty as a means of broadening the basis of international understanding. For it is surely in the interest of the great powers that the international community should be free to act in situations which might otherwise have the effect of extending the area of confrontation between them.

The search for agreement must be initiated at once and pursued vigorously. We welcome the steps which have already been taken by the Secretary-General to this end. We look forward to the early advancement of the more restricted discussions now under way, to the point where the Working Group of 21 can be called into action. We believe that, at that stage, the detailed exploration of this issue which has been carried out by the members of the Working Group over the past year will prove to be of value.

The Canadian objective in these discussions will be to achieve an accommodation, not a capitulation. I would not wish to leave this subject, however, without affirming once again our belief that the principle of shared responsibility must form the basis of any ultimate consensus. We believe, in particular, that the responsibility for meeting the costs of operations such as Cyprus, the need for which has been acknowledged by the Security Council, must be shared by all member states, rather than left to a few.

With regard to the maintenance of peace and security, I wish to emphasize as strongly as I can that it is not enough for the United Nations to rely on the goodwill of a few. It must be able to count on the response and the responsibility of the whole membership.

I believe that there will continue to be a need for peace-keeping operations in the foreseeable future. I say this because we have witnessed great political and social changes in our world which will take time to work themselves out and which cannot be counted upon to do so without some element of upheaval. Meanwhile, there is an obligation which the Charter places upon us to settle our disputes by peaceful means and to refrain from the threat or use of force against one another. We also have an obligation to carry forward our pursuit of peace and security by working towards our agreed objective of general and complete disarmament.

The events of the past few months have made it clear that the central issue in the disarmament field at this Assembly is the need to limit the spread of nuclear weapons. When I speak in terms of events of the past few months, I have naturally in mind the nuclear test conducted by Communist China on October 16. We deeply regret that the Chinese Communist Government should have chosen to disregard world opinion in such deliberate fashion. We also look upon this development as profoundly disquieting for the future. If it does nothing else, I would hope that it will impart fresh urgency to our efforts to reach agreement to limit the spread of independent military nuclear capability.

The nuclear test-ban treaty is, for the time-being, the only international instrument inhibiting an expansion of the number of nuclear powers. The Canadian position has been that nuclear and non-nuclear powers should be bound reciprocally in an undertaking to prevent the dissemination of nuclear weapons. The need for such agreement is greater now that the number of nuclear powers has increased. It is no longer sufficient to depend on the restraining of the nuclear powers themselves. What is now required is the elaboration of an international agreement or agreements by which the nuclear states would undertake not to relinquish control of nuclear weapons nor to transmit the information necessary for their manufacture to states not possessing such weapons, while the non-nuclear states, for their part, would pledge themselves not to manufacture or otherwise acquire control of nuclear weapons. In the Canadian view, an agreement on these lines would have a significant contribution to make to the enlargement of world peace and security.

Canada has been in the forefront of the development of nuclear energy. The manufacture of nuclear weapons has long been within our technical capability. It has, however, been the deliberate policy of successive Canadian Governments to refrain from exercising that capability and to concentrate on the peaceful uses of the atom. That remains the position of Canada. There are other nations -- notably India -- which, though within range of a nuclear capability, have taken the same position of self-denial. We believe that this is the position best calculated to advance the cause of peace.

I have been speaking so far about the part the United Nations has played and must continue to play in the enlargement of world peace and security. Let me now turn to the other major field in which the United Nations has a part to play in pushing outward the boundaries of international co-operation, the enlargement of world prosperity.

World peace and world prosperity are closely linked together. A climate of world peace is indispensable if the struggle against poverty, hunger and disease is to be waged effectively and with the full mobilization of all the resources at our command. Conversely, there cannot be any assured prospect of peace and security in a world in which affluence and poverty are so unevenly distributed.

We are now approaching the mid-point of the United Nations Development Decade. The object in designating the 1960s in this way was to achieve in the developing countries targets of economic growth that held out some prospect of narrowing the gap between their living standards and those of the developed countries. These targets were set as minimum targets, representing, as they did, a compromise between what needed to be done and what was considered to lie within the realm of practical achievement. Experience has shown that even these minimum targets can be met only if domestic effort in the developing countries is properly deployed and if it is supported by appropriate international policies. Experience has also shown that trade has a vital contribution to make to the total development process.

It was with the object of bringing trade and development into closer focus that the United Nations Conference on Trade and Development was convened in Geneva earlier this year. This was the largest economic conference held in the history of this or any other organization. It was also the first such

conference to concern itself comprehensively with the problem of under-development which affects two-thirds of the world's population. It enabled us jointly to take stock of the magnitude of the problem. It brought about a substantial measure of identification of the interests of developing countries as a group. Indeed, the coalescence of the 75 developing countries within the larger community of interest, which includes us all, was perhaps the most significant single feature of the Geneva Conference. I think it is fair to say that the Conference enabled us to arrive at a much better understanding of the broad lines along which domestic and international effort must henceforth be directed. It also produced broadly agreed recommendations on a number of important questions, especially those relating to development planning in a framework of international support.

Inevitably, the Conference did not go as far as many would have wished it to go. But I think we would be wrong to judge the Conference in terms only of its short-term results. World public opinion is now seized of the problem of under-development as never before. We can also now look forward to the establishment of an institutional framework within which the work that was begun at Geneva can be carried forward in depth. For my part, I look upon the Conference as a turning point in history. It has set in train developments which, I am sure, will not be reversed and which are bound to make a lasting imprint on the whole pattern of international economic relations.

The Canadian Government is prepared to play its full part in the great co-operative effort that will be required if the developing countries are to be brought to the threshold of self-sustaining economic growth. We are expanding and broadening our programmes of economic assistance. We were able, at the Geneva Conference, to announce a 50 percent increase in the volume of Canadian assistance during the current year. Only last Friday, on behalf of the Government of Canada, I signed an agreement with the Inter-American Development Bank under which we have agreed to make loans on very favourable terms to Latin-American countries for programmes designed to accelerate their economic, technical and educational development. I mention this agreement because it provides for the first concerted programme of Canadian assistance to our neighbours and friends in Latin America and thus an extension of the area in which Canada has carried out such programmes in the past.

I would also wish to say a word about the World Food Programme of the United Nations. We regard this programme as contributing significantly to economic development, and look forward to its renewal in 1965. The present contributions to this programme have been either used up or committed. In these circumstances, the Canadian Government has decided to make a further contribution of \$2 million, to be added to the \$5.4 million of our original pledge.

The United Nations itself is on the point of consolidating its own development assistance by merging the Special Fund and the Expanded Programme of Technical Assistance. The Canadian Government supports the considerations which have prompted this move. We attach importance to the new combined programme carrying forward the same sound policies which have characterized the operation of the present programmes and commanding the same confidence and support.

We recognize that there will be a continuing need for both bilateral and multilateral assistance to sustain the efforts which the developing countries themselves are making to mobilize their resources for development. We also recognize, however, that these countries look towards a world trading order that is in the closest possible harmony with their interests. The Canadian market imposes no barrier other than the tariff to the products of the developing countries. We are prepared, in the context of the negotiations which have now formally been launched at Geneva, to reduce our tariffs with particular regard for the trading interests of the developing countries. In common with other developed countries, we are prepared to do so without requiring an equivalence of concessions from the developing countries. As Canadians, we believe that a stable world trading order is of interest to all countries, including, particularly, those in the process of development, and that there cannot be such a trading order without some balance of rights and obligations. On the other hand, we are prepared to recognize the special position of the developing countries in the world trading context. I believe that the agreement which has now been reached to give statutory recognition to this special position of the developing countries in the context of GATT is one we all welcome as a significant step in the right direction.

In the introduction to his annual report, the Secretary-General speaks of the new conciliation procedures which have emerged from the United Nations Conference on Trade and Development as adding to "the broad concepts of negotiation and co-operation inherent in the Charter". As I have already indicated, Canada attaches particular importance to this concept of conciliation. We regard it as a valid and efficient concept in the management of our domestic affairs, although its application demands patience and goodwill. We also believe that, if we are to proceed to a closer identification of the attitudes and activities of members of the world community at large, we can best do so by taking serious and realistic account of one another's concerns. Any other course is likely, in our view, to weaken the very organizations which embody our hopes for a new world order and among which the United Nations itself stands first and foremost.

World peace and world prosperity -- these are the twin pillars on which the UN must stand or fall. We have now reached a critical juncture in our affairs. What we must decide is whether the United Nations is to be enabled to play its appointed part in securing world peace and world prosperity or whether its capacity to do so is to be seriously impaired, if not crippled. For let us not think that the ability of the United Nations to serve the broader interests of the world community will be unaffected by the way in which we solve the present crisis.

We have made substantial progress in the course of international co-operation over the past two decades. We must now consolidate that progress and build upon it. We cannot afford to go back on what we have achieved.

Here in the United Nations are embodied the hopes and aspirations of mankind for a better world order. We have an obligation, each and every one of us, acting within the concept of shared responsibility, to see that these hopes and aspirations do not go unrealized. Let it not be said in this Assembly that we failed to discharge that obligation, with all the consequences this could have for the future course of international co-operation.



GOVERNMENT OF CANADA
DEPARTMENT OF EXTERNAL AFFAIRS
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 64/36

CANADA AND THE INTERNATIONAL SITUATION

An Interview given by the Secretary of State for External Affairs, the Honourable Paul Martin, to M. Jean-Pierre Tainturier of LE DEVOIR on December 23, 1964.

QUESTION (1):

What are the principles which govern Canadian diplomacy?

ANSWER:

Canada is a middle power endowed with an active diplomacy as befits it in an age of interdependence. Is there a contradiction between the emphasis we place on our efforts toward disarmament and our participation in a defence alliance, between our belonging to the American continent and our special ties with Europe, or between our attachment regarding the evolving Commonwealth and our dedicated support to the United Nations on the other hand? I do not think so. If there is a paradox, it is to be found in the age in which we live, which imposes upon us or permits us a balanced diplomacy.

Canada's might menaces no one. Thus, its action on the international stage does not arouse suspicion nor does it provoke fear of domination. But Canada no longer is so small or so weak economically that it is incapable of exercising a real influence in the world. Its high standard of living gives it the means to effect a balanced diplomacy. Our intense commercial activity gives us the chance to open wide many doors on the world. These opportunities provided by our trading spirit cause us to follow a policy of general interest stemming from our own special interests. This is the policy we follow at the United Nations. Canada, being free and capable of assuming international responsibilities, plays a role of first importance in endeavouring to strengthen the authority of this world-wide organization. There are many examples of our initiatives, our role in Cyprus, in Suez, in the Congo - in fact, wherever peace is in danger.

As other factors influencing our external policy, I might mention the close co-ordination that must exist between defence, on the one hand, and our external policy, on the other, according to the principles enumerated in the White Paper on Defence, and, of course, the increasing importance of our programmes of aid to developing countries. Our close ties, or those we are developing, with the United States, the Commonwealth, the community of French-speaking countries, the Latin American countries, occupy, each in its own way, an important place in the evolution of our diplomacy.

Perhaps I should end by reminding you that a democratic diplomacy must be an open one, and I mean by that intelligible to all. But an efficient diplomacy must also be discreet. Canadian diplomacy answers, I think, both needs.

QUESTION (2):

What attitude will be adopted with respect to Communist China during the UN General Assembly?

ANSWER:

It is difficult to forecast the Canadian position concerning the problem of Communist China at the United Nations since we do not yet know exactly what situation we shall then encounter. As you are probably aware, an item on the representation of China has been proposed by Cambodia and supported by a number of other member states. This item is unlikely to be discussed before February 1965 at the earliest. We do not yet know what sort of resolution the Cambodians will be putting forward. They did, however, co-sponsor a resolution last year that called for the ejection of representatives of the Nationalist Chinese Government and their replacement by representatives of Communist China. Canada has not supported this sort of solution to the China problem in the past, and I have no reason to believe that we shall change our position during the current session.

We do not know yet whether there will be other proposals before the Assembly on this question. If there are, they will probably be concerned with the continuing problem of the status of Formosa and the fact that the General Assembly has no right, by its action on a representation problem, to prejudice the international status of a member already represented in the United Nations. The Canadian Government is anxious to see progress toward a solution of the problem of Chinese representation and the wider question of the entry into the international community of Mainland China. Progress can be hampered, however, by the entrenched positions of the parties chiefly concerned. We must also keep constantly in mind the possible effect of developments in the United Nations on the difficult political and military situation in Southeast Asia. These various factors will be of considerable importance in determining the Canadian position on this subject at the nineteenth session of the Assembly.

QUESTION (3):

What is the attitude of the Canadian Government respecting the deterioration of the situation in South Vietnam, and what is its policy on Southeast Asia?

ANSWER:

As I have commented on several occasions recently, the situation in Vietnam is a cause for serious concern, not only in terms of the hardship and suffering the people of that unhappy country are being forced to undergo as a result of Communist aggression, but also in terms of the implications of this situation for peace and stability in Southeast Asia. All available evidence points inevitably to the conclusion that the basic reason for this instability, both political and military, is the determination of North Vietnam to interfere in the affairs of South Vietnam by sponsoring the Viet Cong insurgents in their programmes of subversion, terrorism, sabotage and murder, and by directing and supplying the armed rebellion in South Vietnam.

Faced with this hostile policy directed by Hanoi, South Vietnam, in the exercise of the legitimate right of self-defence possessed by every state, has appealed for military assistance from abroad, and this assistance has been granted by a number of countries, of which the United States is, of course, the most important. It has been made clear that this assistance is of a temporary nature, and will end when North Vietnam decides to abandon its aggressive activities.

Canada has not rendered military assistance to South Vietnam; our direct interest in the situation in that country stems from our membership in the International Commission set up by the Geneva Conference in 1954 to supervise the implementation of the cease-fire agreement. Within the Commission, our representatives are directing all their efforts to ensuring that that body carries out its supervisory duties in a manner as close to that intended as possible. To the extent that we are frustrated in this attempt, whether by the two other members of the Commission or by one or other of the contracting parties to the cease-fire agreement, we intend to make it plain where the responsibility lies for such failure as we may be forced to accept.

There has been a good deal of speculation about the desirability of a new international conference to settle the problem of Vietnam. While I believe that such a conference might be necessary at some stage to arrange a more durable settlement, I am not sure what positive results it could pronounce at the moment. It is difficult for me to believe that the Communists would honour their existing international commitments, unless such a new agreement turned the whole country over to Communist control; and this is something, I am sure, the people of Canada, as well as the people of South Vietnam, would not wish to see happen. The sine qua non for peace and a durable solution to these problems is abandonment by the Communists of aggression as a means of achieving their ends. In the absence of a decision to this effect by Hanoi, the situation in Vietnam will undoubtedly continue to be potentially dangerous.

QUESTION (4):

The crisis of the Atlantic Alliance was central in recent international conferences. How does Ottawa see this crisis? Is France basically responsible for the present misunderstandings?

ANSWER:

There is no crisis in NATO. This is not a personal opinion. It is the obvious answer emerging from the meeting of NATO ministers that took place last week in Paris. There is thus no question of analysing the elements of a crisis; we must instead try to understand a complex evolution. I left Paris firmly convinced that none of the NATO members was trying to weaken the Alliance. Despite the diversity of choices and attitudes, NATO will once again find that its problems have a common denominator.

It is certain that in Europe, as in the rest of the world, there have been far-reaching developments that have presented the Alliance with serious problems of adjustment. In Canada, however, we find nothing surprising or necessarily discouraging in this. NATO was established 15 years ago; it is,

therefore, natural that we should find ourselves facing problems today that did not exist in 1949.

Canada's goal is to ensure that the Alliance faces these problems frankly and treats them in such a way that a crisis does not occur. We believe that this double objective can be reached, because we have no doubts that the fundamental goals uniting the various members of the Alliance are the same today as yesterday. It is for that reason that we have recommended that the NATO Council take up the nuclear problems of the Alliance. This study has already begun and must continue.

I was asked recently if we would accept the idea that the Alliance should rest on two pillars - one American, the other European. Historically, continental powers have always had the tendency to look on the sea as a dividing element, and maritime powers as a unifying one. Canada, properly speaking, is neither a maritime power nor a continental one; however, we are linked by Franco-British history and this factor places Canada's emphasis on transatlantic relations. If this were not so, Canada would be merely an appendage of the United States.

Apart from the purely Canadian point of view, however, I believe that the idea of two pillars could lead us into trouble. It is very possible that, in the field of economic policy, Europe and North America can, up to a certain point, profitably negotiate certain tariff questions, as is the case in the "Kennedy round". On the other hand, I have often asked myself if this idea of two pillars can be applied to the field of Western defence, and if the idea corresponds to present military realities, even as applied to Europe.

QUESTION (5):

Is the MLF a solution to the defensive problems of NATO? What is Canada's position regarding the handling of nuclear arms within NATO?

ANSWER:

Canada has not yet participated in the preliminary technical discussions on the MLF. However, we see no objection to other members of the Alliance having discussions among themselves. As I have previously pointed out, we do not believe that the proposals concerning the creation of a multilateral nuclear force, taken by themselves, are capable of solving the whole of this problem. We consider that the arrangements that may eventually be adopted should be discussed among the members of NATO, at the right moment, and that these arrangements should correspond as much as possible to the interests of all the members of the Alliance and take account of the probable repercussions they could call forth in Europe and the world. We should obviously not approve of any broadening of the right of decision regarding the use of these weapons. Fortunately, there has been no question of that. These considerations are included among those that will guide the Canadian Government in its present study of the suggestions put forward by Britain. The problem of handling nuclear arms within the Alliance is, as you know, complex and very important. Because of this, it must be approached with caution.

Any decision or agreement that could eventually divide the Alliance would cause us concern. It is obvious that such a possibility is less probable if all the members of the Alliance have a chance to put their views forward. In addition, we have suggested that it would be preferable to study the possibility of a greater participation in the military control of the Alliance by further developing procedures already existing within the NATO framework.

QUESTION (6):

What is Canada's conception of a permanent international peace force for the UN?

ANSWER:

Canada has on many occasions supported the idea of a permanent international peace-keeping force under the United Nations. Canada realizes, however, that the plans for provision of forces to meet the requirements of the UN that were conceived at San Francisco in 1945 have failed to be realized because of disagreement between the great powers. Canada also knows that the plans for such a force envisaged in the last stages of a disarmament agreement are a long way from implementation.

Lacking these alternatives, Canada believes the best way to make progress is to obtain agreement by members of the United Nations on ad hoc arrangements for peace keeping. Such arrangements might include the formation of national stand-by units for service with the United Nations and the creation of a planning staff of military experts within the United Nations Secretariat. In addition, the Prime Minister has proposed that a number of middle powers work out a stand-by arrangement to establish an international peace force for use by the United Nations when required. It has not been possible to implement this idea, but Canada did convene a meeting of countries with peace-keeping experience in Ottawa in November to exchange views on the practical military problems involved. We hope this meeting will contribute to the improvement of arrangements for peace keeping in future.

QUESTION (7):

How could we solve the financial problem of the UN in conformity with Article 19 of the Charter?

ANSWER:

What is involved is the collective responsibility of member states for peace-keeping operations undertaken by the United Nations. A majority of members believe, like Canada, that the costs of peace-keeping operations must be met in accordance with this principle and that the assessments by the Assembly to provide funds for these operations are binding obligations. A few governments, notably the U.S.S.R. and France, do not share this view either of the principle or the law involved.

A confrontation on this issue could only have the gravest consequences for the United Nations, whatever the result of an attempt to apply Article 19. I believe it is essential, therefore, to explore all possibilities of compromise. This calls for willingness to make concessions on the part of all concerned. Time for negotiations has already been gained by the adoption of a consensus procedure in the Assembly, and we are counting on more broadly-based discussions of this problem in the Working Group of Twenty-One, of which Canada is a member.

The Canadian objective in the coming discussions could be described as compromise rather than surrender. It is my hope that a solution can be worked out that does not prejudice the applicability of Article 19, the general idea of the collective responsibility of members for United Nations undertakings or the residual powers of the General Assembly. As I mentioned in my statement to the General Assembly on December 8, the Canadian view is that the principle of shared responsibility should form the basis of any accord we reach, and that responsibility for meeting peace-keeping costs ought to be shared by all members rather than left to a few.

QUESTION (8):

What is Canada's position in the "Kennedy round" of negotiations at Geneva?

ANSWER:

The Canadian Government has, from the beginning, strongly supported these negotiations under the auspices of the General Agreement on Tariffs and Trade, which promise to be the most far-reaching ever undertaken among the trading countries of the world. Early in 1964, the Government established the Canadian Tariffs and Trade Committee, consisting of senior officials under the chairmanship of Mr. N.A. Robertson, former Under-Secretary of State for External Affairs, charged with obtaining the views of Canadian industry and all other interested parties in preparation for the negotiations. During the summer, the Committee received briefs from a great many groups in all parts of the country, many of whom also made oral submissions in Ottawa, which assisted the Committee in making its recommendations to the Government.

Canada has taken an active part in the preparations for the "Kennedy round" which have been under way in Geneva and elsewhere over the past 18 months. Actual negotiations began on November 16 with the tabling in Geneva of lists of goods to be excepted from the general 50 percent tariff cut, or, in the case of countries such as Canada, of "offer lists" of potential tariff reductions. Canada has a strong team of officials in Geneva led by Mr. Robertson as chief negotiator, and including representatives of the various government departments concerned. It is, of course, far too early to attempt to predict the outcome of the negotiations, since by their very nature they are bound to be long and arduous. We welcome the opportunity, however, to sit down at the negotiating table with our principal trading partners: the United States, Britain, the European Economic Community, Japan and others, in an endeavour to reduce trade restrictions and secure improved access to foreign markets. The Government is convinced that only through expanded exports can we secure the growth in Canadian

manufacturing industry necessary to provide expanded employment opportunities for our growing population. We are not, of course, concerned only with trade in manufactured goods, but also with securing better terms of access for foodstuffs and industrial raw materials through the reduction of tariffs and other barriers to trade. Finally, we are anxious that the negotiations should provide increased opportunities to the developing countries of Asia, Africa and Latin America to increase their earnings from foreign trade, and thus promote the economic development that is vital to them. We are hopeful that these objectives will be achieved during the coming months.

QUESTION (9):

What has been Ottawa's role in concluding the cultural and technical agreement between Paris and Quebec and in the agreement on the status of the delegation of Quebec in Paris?

ANSWER:

With regard to the first part of your question, it is a matter that is still being examined, and for some time we have been in close contact with the authorities of the Province of Quebec and with the French Government on this question. I hope to be able to announce soon that it has been brought to a happy conclusion. During my last meeting with Mr. Couve de Murville on December 13, we both expressed the wish to see cultural exchanges between Canada and France intensified. To that end, we have decided to begin negotiations soon on the conclusion of an enabling agreement in this field, and I am convinced that the country as a whole will benefit from it.

Concerning the status of the delegation of Quebec, Mr. Couve de Murville and myself are both pleased that our Governments have been able to agree that the delegation in Paris should have privileges and immunities comparable to those which are accorded Canadian provincial representatives in London.

I have made it a point to thank specially the French Government for this decision, which will enable the delegation of the Province of Quebec the better to fulfill its future role.

QUESTION (10):

Is the Cyprus problem close to a settlement? What is the Canadian participation in the peace-keeping operations on the island? What solution does Ottawa advocate?

ANSWER:

The United Nations peace-keeping operation in Cyprus has brought about a considerable improvement in the situation on the island in recent months. Tension between the Greek-Cypriot and Turkish-Cypriot communities has decreased and there has been some return to more normal conditions.

However, since the Cyprus situation remains potentially explosive, the UN Security Council decided, on December 18, that it had no feasible alternative to the extension of the mandate of the UN Force for another three months. As I announced in the House the same morning, the Canadian Government decided to agree to a request by the UN Secretary-General that it continue its participation in the Force for an additional three-month period. This provides further evidence of Canada's support of UN peace-keeping efforts. We played an active role in the negotiations which led to the establishment of the Force and have been contributing and financing the largest contingent in it.

Canada now has approximately 1150 officers and men in Cyprus. The Canadian contingent, which includes the First Battalion of the Canadian Guards and a reconnaissance squadron of the Lord Strathcona Horse, is deployed along the strategic Kyrenia Road and is responsible for operating the convoy system on that road. It is also responsible for the Kyrenia Pass and St. Hilarion areas. Until the beginning of December, it was responsible for patrolling the "Green Line" in Nicosia, but has now handed over this responsibility to the Norwegian and Finnish contingents and has assumed instead responsibility for the western sector of the Nicosia Zone. In addition, Canada provides the commander and headquarters staff of the Nicosia Zone and contributes a considerable number of personnel to the UN Force headquarters.

Despite the improvement in the situation which has taken place on the island, no acceptable solution has yet been reached to the differences of opinion on the future of Cyprus that continue to divide Greece and Turkey as well as the Greek-Cypriot and Turkish-Cypriot communities. These differences between Greece and Turkey, two allies in NATO, are a matter of continuing concern to Canada and to the other members of the NATO Alliance. This problem was reviewed at the recent ministerial meeting in Paris, where I appealed to the sense of responsibility of the two Governments and urged that they do all they could to exert a moderating influence on the two communities in Cyprus.

The Canadian Government has followed a policy of avoiding comment on the basic issues in the Cyprus dispute because it is important for us to maintain our present reputation for strict impartiality on this question. Unless we maintain this reputation, it will be difficult for Canada to continue to play a useful role in the UN Force. This does not mean, of course, that the Government is not concerned over the continuation of the dispute and the effect it is having in Cyprus and on the relations between two NATO allies. We believe, however, that the best way to help is to continue to give full support to the UN peace-keeping and mediation efforts in Cyprus.

QUESTION (11):

Can a country's foreign policy affect its domestic problems?

ANSWER:

The effects that the facts of life in Canada have on our diplomacy and our diplomacy has on our domestic problems are obviously closely linked. A foreign policy that enjoys the support of the large majority of the population, as ours does, is in itself a unifying factor. In the economic field it is a factor that clearly favours our wellbeing and, in the field of cultural relations, a source of reciprocal enrichment and influence.

I believe, for instance, that Canada's Commonwealth policy, on the one hand, and its policy toward French-speaking countries, on the other, which in both cases seek a tightening of existing ties, play an important and positive role in Canada's internal equilibrium.

QUESTION (12):

Does Ottawa think that Canada has a special role to play on the international chess board, as one of the top "secondary powers"?

ANSWER:

Certainly, and I think that I have already explained how and why. However, there is no particular niche reserved for us in the temple of history. The great powers occupy the front of the stage. The middle and smaller powers, for the most part, want to play a role beyond their frontiers. We have a store of friendships, of affinities, of practicalities, of unselfish acts, all creating what we might call a good name, that we have formed over the years. Our international policy will be effective in the measure that we know how to be witnesses and fair interpreters of international realities transcending our special interests. I think we should pursue our task without impatience but with vigour.

QUESTION (13):

What is the present Canadian policy towards the Organization of American States?

ANSWER:

The present policy of the Canadian Government remains that which I have described on numerous occasions in the House of Commons. The Canadian Government is very much interested in the activities of the OAS and is already a member of three of its agencies: the Inter-American Radio Office, the Inter-American Statistical Institute and the Pan-American Institute of Geography and History. Canada continues to follow attentively OAS problems by sending observers to some of the meetings of its specialized agencies. Early this month the Canadian Government, indicating thereby its increased interest in the affairs of the hemisphere, signed an agreement with the Inter-American Development Bank whereby Canada agreed to make available \$10 million to finance economic, technical and educational assistance projects.

With regard to the entry of Canada into the OAS, I believe that time must take its course. Canadian public opinion is more and more interested in Latin America. However, it is my belief that one should not place too great importance on the institutional aspect of our relations with the American states when, in addition to the links already mentioned, we maintain diplomatic relations with all countries of the OAS and have the opportunity of a continuing exchange of views on all questions of common interest.

QUESTION (14):

What is the current state of Canadian-United States relations and what was their evolution over the past 12 months?

ANSWER:

Regarding Canada's relations with other nations, those with the United States are both the most important, and the most difficult, as they cover such a range of subjects and interests. In any issues that may arise between our two countries, the role of the Government, as we see it, is to help create an atmosphere, a framework, in which consultation and co-operation can take place at all levels, governmental and non-governmental, with due respect to each other's rights and interests. Because we have kept this objective constantly in mind, progress has been made on a number of matters which a year or so ago were regarded as very critical. For example, shipping on the Great Lakes, which had been disrupted, began to move freely again. Negotiations concerning the Columbia River Treaty, which had been stalled, were resumed, and today work is about to begin on a large scale on projects which will bring to both countries the benefits of vast new supplies of low-cost hydro-electric power - and improved flood control in an area which, as we have seen during the past few days, is sometimes subject to devastating floods. In energy matters generally - electricity, oil, gas and so on - new opportunities for co-operation are continuously being examined. An intensive study is also being made of basic principles which might guide relations between our countries in economic and other areas.

Through the International Joint Commission, Canada and the United States have recently embarked on an investigation of the problem of the levels of the Great Lakes - a matter of vital importance to both countries.

Constructive discussions have been taking place with the United States over most of the past year about the trade in automotive products between the two countries. In these discussions good progress has been made towards a more rational and economic basis for relations between these major sectors of our two national economies.

The resolution, shortly after the present Government took office, of controversial issues regarding nuclear weapons has facilitated co-operation on North American defence matters. These matters were reviewed at the meeting of the Canada-United States Ministerial Committee on Joint Defence at Washington in June 1964.

Many consultations have taken place during the past year between the President and the Prime Minister, between Secretary Rusk and myself, and at other levels, regarding various world problems. We have not always agreed but we have tried to understand each other's point of view.

In sum, both countries are showing a capacity for dealing with the problems that confront them in an adult and sensible manner that augurs well for the future.

CAI EA 5
CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/1

Notes for a Speech by the Secretary of State for External Affairs, the Honourable Paul Martin, at the Conference on Canada and the French-Speaking Nations of Africa, organized by the CIAE and the Canadian National Commission for UNESCO in Montreal, January 23, 1965.

I take a special interest in addressing the participants in this Conference on the theme of Canada and the French-speaking nations of Africa. Your presence here and the very subject of your meetings are evidence that French Canada is increasingly aware of the great part that non-governmental organizations and private individuals must play in promoting a better understanding of international problems and more enlightened support for Canadian foreign policy. Your meetings mark the opening, in a way, of the French-Canadian contribution to the United Nations International Co-operation Year. This Conference is also the first organized in the Province of Quebec by the Canadian National Commission for UNESCO.

The international problems confronting us are the result, to a large extent, of a lack of comprehension and intercommunication between peoples belonging to different races, cultural backgrounds and continents. Moreover, we live in a world in which the rapid changes affecting all fields of human endeavour make all the more obvious the interdependence that exists between nations. For a middle power such as Canada, this interdependence has taken the form mainly, since the Second World War, of participation in the Atlantic Alliance, special links with Europe and America and ties with the Commonwealth and the United Nations, as well as the commercial activities resulting from the development of our national resources. All these links constitute an expression of the tasks that devolve upon us as partners in the development of the free world. But this is not all that we see in interdependence.

In the twentieth century, one of the most significant developments of which, surely, consists in the metamorphosis of the old empires into numerous independent nations, Canada is also aware of the fact that international peace, with prosperity, which depends upon it, cannot be assured until the majority of the peoples no longer have to contend with poverty and illiteracy. This task of helping the developing peoples, not only in the name of national interest but also as a matter of social justice, we undertook almost 15 years ago. Although the Canadian Government itself faces great problems owing to our present internal readjustment and our considerable progress, it is aware of its responsibility for the provision of assistance to developing countries,

an obligation that is rendered easier to fulfil by the friendship, kinship and practical ties that happily exist between those countries and Canada.

Our efforts at the governmental level will be all the more valuable if meetings such as this widen the horizons of the average Canadian citizen and draw him out of the traditional setting that has hitherto confused his thinking on foreign relations, a setting that is no longer compatible with the extent of our commitments or with the era of interdependence in which we live. What, I think, is to be particularly commended is the practical angle from which you have approached these problems and the concrete character of the projects that have held your attention.

This Africa with which you have been concerned during the past few days is eminently worthy of our consideration. The least one can say is that, in the midst of rapid, and at times upsetting, changes, it maintains its position in the headlines. Since 1945, 32 new political entities have appeared there. And it would seem that the great African nationalist movement that has renovated the political face of the continent has not reached its final stage. A year and a half ago, at Addis Ababa, the 35 independent countries of Africa, acting with remarkable speed and co-operation, laid the basis of the Organization of African Unity. In so short a time, this international organization has already demonstrated its importance and sense of responsibility, notably in the solution of the conflict between Algeria and Morocco and the progress registered in the dispute between Somalia and its neighbours. More recently, the Congolese situation has faced the OAU with a stiff test.

A resolution adopted a few weeks ago by the Security Council recognized that the OAU had an important part to play in the solution of the Congolese conflict. The Canadian Government, a substantial contributor to the United Nations Operation in the Congo from 1960 to 1964, believes that a solution not endorsed by the majority of the African states has little chance of success. We also feel that this conflict cannot be solved by military force. Only a political solution can restore peace in the Congo.

Three other problems are of capital importance for the future of the continent and the development of friendly and fruitful relations between the West and the new African countries. These are the problems raised by the Portuguese territories, Rhodesia and the apartheid policies of South Africa. A factor common to all three situations is the problem of relations between people of the black and white races. The Communist countries are hard at work persuading the rest of Africa that the West is contributing to the maintenance of white supremacy in the southern part of the continent. Yet the Canadian attitude toward these problems presupposes the possibility, and indeed the necessity, of co-operation in all fields between black and white people. Such co-operation must be based on mutual respect and a conviction that our respective interests are complementary rather than competitive.

The instability and violent changes that are now being witnessed in Africa shed more light on the hard facts that are the basic realities of that continent.

Allow me to quote a few figures:

- Average income per capita in Africa is only about 33 cents daily.
- In some countries, this average income barely reaches 15 cents.
- Eighty per cent to 85 per cent of all Africans are illiterate, and only 40 per cent of school-age children attend school.
- The African farmer's productivity is only about 4 per cent of that of the North American farmer, with all that such a figure implies in the way of nutritional deficiencies.
- The infant mortality rate is about 260 in 1,000 births.
- There is only one doctor for 17,000 people, a proportion one twenty-fifth that of Canada.

If such figures have anything to tell, it is the immensity of the task to be accomplished and the obligation we have of helping the Africans to help themselves.

This challenge, posed by the accession to independence of the new nations and by Africa's development problems, has been met by Canada in several ways. In 1957, we opened in Accra our first diplomatic post in West Africa. This year, we have on the west coast two missions in French-speaking countries, at Yaoundé and Leopoldville, and two others in Commonwealth African countries, at Accra and Lagos. These missions are also accredited in a dozen French-speaking African states. On the east coast, Canada has a representative in Dar-Es-Salaam who is also accredited in two other countries. In addition, we have missions in Cairo, South Africa and Salisbury. Twelve French-speaking African states, in return, have accredited with the Canadian Government their representatives either in Washington or New York. Several days ago we had the pleasure to welcome in Ottawa a diplomat from Cameroun, the first French-speaking country to appoint a resident representative in our capital city.

Our diplomatic relations and, with the exception of missionary efforts, the relations of Canada as a whole with Africa are still at their initial stage. There is no need to say that we all realize there is much to be done yet. Our African posts, which constitute the primary instrument for friendly relations and the implementation of our aid programmes have already begun to provide us with diplomatic officers who possess the specialized knowledge we need in order to perfect our relations with that continent. This, however, offers no grounds for complacency, and in the diplomatic field we still hope to progress further. We consider opening in a near future three or four new missions in Africa, some of which will be in French-speaking countries. This will provide a Canadian presence where it is necessary and at the same time lighten the already too heavy burden of our representatives in Africa.

As far as assistance is concerned, you are aware of the increased effort we have made in this field during the past few years. In the space of 15 years, our total resources available to that end were increased from the amount that in 1951 constituted our initial contribution under the Colombo Plan to nearly \$200 million for the current year. This figure represents an increase of 50 per cent on last year's appropriations. If a large amount of these funds continues to be allotted to basic equipment, it is because in certain countries, particularly those of Asia, the revolution in the field of education is progressing well. Where the basic human resources already exist, we must contribute to the development of the economic structure by supplying the necessary funds for the creation of dams, power plants, transport, etc. In semi-industrialized countries, contributions in the form of commodities prove to be the most useful. But in Africa, where the most obvious deficiency is in the sector of education, our assistance is directed for the greater part toward that field of activity. Africa is chiefly in need of teachers, physicians and administrators. Education is the only instrument that can ensure security and progress for Africa; it is the only force capable of creating a politically and economically sound Africa.

Because of its Commonwealth membership, our country was first concerned with helping its African associates within this great partnership of nations. But it also behoved Canada to institute a special co-operative scheme for the French-speaking countries of Africa. The bilingual and bicultural character of our country required it. This programme was launched in April 1961. Because of its particular nature, a consultative committee was established at the initial stage in order to prepare recommendations concerning the use of available funds. This committee includes representatives of various national or Quebec organizations whose activity is in the field of education, as well as representatives of the Federal Government and of the government of the Province of Quebec. It was quite natural that, in a country where education is under provincial jurisdiction, such a co-operative programme should be the result of a joint effort by the federal and provincial authorities, each respecting the prerogatives of the other. As an example, the Quebec Department of Education, which established to that end a liaison office, will be responsible - in co-operation with the External Aid Office - for recruiting the 60 or so teachers who will serve in Africa in 1965-66. Another example of co-operation is the standing committee, made up of representatives of French-speaking universities and of members of the External Aid Office, that is responsible for organizing summer courses for French-speaking African students and providing opportunities for training in industry that will complement their theoretical studies.

During its first three years of operation, the programme for French-speaking Africa was limited to an amount of \$300,000 a year. Last autumn, however, in the context of an expansion of all our aid programmes, this amount was raised to \$4 million, out of which \$500,000 were contributed to the United Nations fund for civil operations in the Congo. This thirteenfold increase in the sum allotted in previous years shows clearly the importance we attach to this programme.

It should be kept in mind that, in addition to its bilateral aid, Canada is contributing substantially to many multilateral programmes, such as the UN Special Fund, the Expanded Programme of Technical Assistance of the United Nations and the IDA (International Development Association). We also work in close co-operation with international institutions such as the World Bank whose task is to co-ordinate and improve the bilateral programmes of donor countries. A certain part of the aid we supply on a multilateral basis benefits the French-speaking countries of Africa and should be added, for a fair assessment, to what we contribute on a bilateral basis.

What, however, in practical terms, are the results achieved by the Canadian Government Programme for French-speaking Africa? In 1961-62, we had sent seven teachers to these countries. For the current year, a total of 40 teachers and teacher trainers and 27 university professors are serving in Africa under this programme. These educators can be found at present in Cameroun, Congo (Brazzaville), Ivory Coast, Dahomey, Guinea, Mali, Rwanda, Chad and Togo, as well as in North Africa.

I should be remiss if I did not refer in a very special way to one of the most important projects we have undertaken under our schemes of co-operation with foreign countries. I am speaking of the creation of the national university of Rwanda in Butare. The Very Reverend Georges Henri Levesque, acting as the first rector of this institution, has recruited a team of some 20 French-speaking Canadians who are likely to play an important part in the development of this university. In 1963-64, the Canadian Government paid the salaries and other expenses of eight of these Canadians, among whom was Father Levesque. A number of additional projects concerning the development of services and faculties at the University of Butare are being discussed. But our scheme of co-operation with the French-speaking countries of Africa was not limited to the assignment of teachers. We supplied audio-visual equipment, books and other school materials to a number of countries. In addition, nationals of French-speaking countries of Africa received scholarships enabling them to pursue specialized studies in French-Canadian universities or were invited to take training in various Canadian institutions. At present, you will find approximately 200 of these students and trainees in Canada - 196 of them in Quebec. The Department of Natural Resources of the Province of Quebec is at present training a young man from Togo in administrative techniques. A Congolese is acquiring additional experience in journalism with Le Devoir. A student from Niger recently spent a period of training with the National Film Board. These are just a few examples.

During 1964-65, a substantial part of Canada's \$4-million aid appropriation will be earmarked for education, but certain amounts will be spent on technical assistance, to make possible a number of studies of development projects. For example, two Quebec firms are at present engaged in studies preliminary to the construction in Guinea of a hydro-electric station and some bridges.

In view of the firm intention of the Federal Government to ensure that its foreign policy, as well as its aid programmes, reflects the realities of Canadian life, co-operation with French-speaking countries cannot but increase. So far as the development of its administrative facilities (especially the recruitment of qualified officers) permits, and so far as it finds it possible to ensure that available help to recipient countries is efficient and acceptable, the Government of Canada intends to increase its co-operation with developing French-speaking countries as quickly as it can, in order to guarantee the fairest possible allotment of aid between French-speaking areas and others.

A slow start was made. The necessary team had to be organized by the External Aid Office. The shortage of Canadian missions in Africa was, and remains, a handicap we are trying to overcome. We have had to familiarize ourselves with these countries and to develop in them an interest in our aid programmes -- a task that has not always been easy, as these countries are oriented primarily toward their "parent" state, from which they continue to receive significant amounts of technical, financial and military assistance and with which several of them are associated through the European Economic Community. Because of the continuing presence of France, co-operation with that country has had to be developed in the field of aid to the French-speaking nations of Africa. The joint communiqué issued last March, on the occasion of the visit of the Prime Minister to General de Gaulle, emphasized the desirability of such Franco-Canadian co-operation. It is obviously not a question of competing with France but rather of making a complementary contribution in fields where we may prove useful.

Through our objective and constructive policy in international matters and the very happy relations we have developed with African countries, especially at the United Nations, we have, I believe, acquired their esteem and goodwill. Our missionaries were initiators in that sphere. In the field of teaching, they have been doing for years, and are still doing, excellent work in Africa. It is incumbent on us to-day to supplement their pioneer efforts with the means at our disposal. Your efforts to make more French-speaking Canadians conscious of these problems will, I am sure, bear fruit.

At this conference, you made it a point, as was proper, to concern yourselves with the relations of Canada with French-speaking Africa. The importance you attached to this objective stems from the ties that have united, and will continue to unite, all countries that are associated with the French-speaking community and whose education and culture rest on French traditions. However, it is to be expected that circumstances will prompt Africans to think of their continent in its entirety. In fact, it is already evident that, in their relations with the external world, they regard themselves first of all as Africans. The Organization for African Union, which I mentioned a moment ago, is a tangible expression of this awakening to the consciousness of the African personality. Language is only one factor of differentiation in Africa. Affiliations and tribal loyalties are others. I am sure that Africans will not wish to lose the benefits they reaped from their long association with Europe, which have allowed them to take their place rapidly in the international world. On the other hand, they will not abandon their cherished characteristics.

What they will seek, I am sure, is to co-ordinate these various elements and create a genuine African orientation that will allow the full and rational mobilization of African resources. I am equally sure that we Canadians shall be particularly responsive to such "unity in diversity", which, if I properly understand the Africans, is one of the essential elements of the personality of that continent.

s/c

CORRIGENDUM

No. 65/1: Page 5, Paragraph 3

The ninth sentence should read as follows:

"At present, you will find some 20 such students and trainees in Canada."

The figures in the original text refer to students and trainees from all French-speaking countries, not only to those from the French-speaking countries of Africa.



Gov. Doc
Can

CANADA-EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/2

PRINCIPLES AND PURPOSES OF FOREIGN AID

An Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the Memorial Assembly at Macdonald College, Ste Anne de Bellevue, Quebec, February 9, 1965.

I am honoured by your invitation to follow a series of such eminent and distinguished speakers in giving this annual memorial address.

Increasingly, over the past several years, it has become clear that the major challenge that is facing our generation is that of economic under-development which is a condition in which some two-thirds of the inhabitants of this planet find themselves. So long as this condition persists; so long as millions upon millions of human beings continue to be exposed to poverty, hunger and endemic disease; so long as the natural aspirations of newly emergent nations for a better life for their peoples remain circumscribed by a lack of resources and a lack of skills; so long as the world remains so unequally divided into areas of affluence and areas of indigence, there cannot be any expectation of true international peace and stability.

Because the problem of under-development is one which has implications far beyond the areas where under-development is prevalent, the means of meeting and overcoming that problem must be international in scope. Foreign aid is one of the most important avenues of approach to the problem of under-development and it is to the purposes and principles of foreign aid that I should like to address myself this evening.

I think it is fair to say that there has been broad and generous support among all segments of the Canadian people for the principle of foreign aid. Here and there, nevertheless, the query is raised whether charity should not rightly begin at home. It is not an unreasonable query and it is certainly one to which an answer cannot be left in abeyance.

The answer hinges to some extent on the definition which we give to the term charity. I suppose the most common usage we make of the term is in the sense of "helping the helpless". In that definition, however, charity has little in common with the purpose of foreign aid, which is to provide the conditions in which the developing countries are enabled to help themselves. We do not assume that the developing countries are helpless.

Nor is that assumption shared by these countries themselves. They recognize that the major responsibility for bringing their economies to the stage of self-sustaining growth must be theirs. All they ask is that the international community co-operate with them in sustaining the efforts they themselves are making and in providing the climate and conditions in which they can mobilize their own resources to the most beneficial effect.

Still, it is arguable that foreign aid does involve the use of national resources -- in our case, Canadian resources -- and that these resources might be used, as a matter of first priority, to combat poverty at home before they are directed to combat poverty abroad. This is an argument which we cannot dismiss lightly, particularly when we have in mind the findings of some recent surveys into the persistence of poverty in our own country.

How do we reconcile the persistence of poverty in Canada with the provision of foreign aid? There are those who would argue that poverty is a relative concept. They would say that in any community in which there are substantial disparities of living standards those at the bottom of the scale have a claim to be regarded as falling within the poverty range. In one recent survey, for example, destitution -- that is to say, the lowest rung of the ladder of poverty -- is defined in terms of a per capita income of \$1,000 or less. If we were to take this as some sort of absolute standard, we would have to conclude that, in 1960, fifty-four countries with an aggregate population of some 1,548,000,000 or roughly 80 per cent of the total population of the free world were destitute.

When we come to consider the so-called developing countries, we find that their per capita in 1960 averaged \$130. This represented an advance of a mere \$25 over the average per capita income recorded in these countries in 1950. Over the same period the advanced countries of the free world, taken collectively, increased their per capita income from \$1,080 to \$1,410. What this means is that, over the decade as a whole, the gap in living standards between the advanced countries and the developing countries widened not only in absolute terms -- as might be expected -- but also in relative terms.

Of course, these are aggregate figures and they do not always tell the whole story. One part of the story which they do not tell is the rising pressure of population and the impact this has had on the whole development process. For it is worth keeping in mind that in many developing countries this pressure of population has been such that the progress made in increasing the volume of output of goods and services is barely enough to yield any improvement in living standards whatsoever.

As I said at the outset, this line of argument is one based on the relativity of poverty. It has an element of validity but it also has serious limitations. Poverty cannot be measured solely in terms of per capita income. Such a standard of measurement does not, for example, take account of what constitutes minimum levels of subsistence in different climatic conditions. Above all, it does not attempt to measure the social impact of poverty in a general environment of affluence, which is the situation we confront in Canada and other advanced countries and which is bound to make the eradication of poverty a priority objective of Government policy.

I should therefore like to rest the case for foreign aid essentially on the argument which I would put as follows. In the scale of things Canada is an affluent country. While per capita income may not be the only reliable indicator of a country's affluence, the fact remains that Canada is the country with the second highest per capita income in the world. As such, there can be no doubt that we have the resources both to cope with the problem of poverty in our midst and to play our appropriate part in a co-operative international approach to the problem of mitigating poverty in the developing countries. That argument seems to me an over-riding one if we believe that foreign aid is right as a matter of principle. It is to this aspect of the question of foreign aid that I should now like to turn.

The motives behind any foreign aid programme are likely to be mixed. These programmes have evolved pragmatically and the world setting in which they have evolved has itself been changing with unprecedented rapidity. Foreign aid is today part of the established pattern of international relations and it is likely to remain so in the foreseeable future. Nevertheless, there is merit, I think, in our stepping back from time to time to review the motives that have actuated our Canadian foreign aid programme and to consider afresh the purposes which we would expect it to serve.

For my own part, I have no hesitation in saying that I regard humanitarian considerations to be foremost in the minds of those who have supported and sustained the principle of Canadian aid to the developing countries. The humanitarian approach to foreign aid is itself compounded of a number of factors which defy separate analysis. In essence I would say it rests upon the recognition that, as flagrant disparities in human wealth and human welfare are no longer morally acceptable within a single community, whether it be local or national, the same principle is applicable to the larger world community. And as we have devised various mechanisms for transferring part of the wealth of the community to those segments which cannot rely on the laws of the market alone for their fair share, so foreign aid can be made to serve the same ends in a wider international framework. The validity of this approach to foreign aid was recognized in the Report of the Royal Commission on Canada's Economic Prospects, of which the present Minister of Finance, the Honourable Walter Gordon, was Chairman. As that report -- published some seven years ago -- put it,

"... in a shrunken world the idea of humanity must have wider practical relevance. It may gradually become as unacceptable to the conscience of the West as it is now to the aspirations of the under-developed countries that there should be such gross disparities in human welfare throughout the world. In a remarkably short time the notion that such disparities cannot be tolerated within a single state has been accepted in almost all Western countries. To apply that principle throughout the world will be a much longer and harder task. But the issue has been raised and can hardly be wished away -- even if Canadians were so disposed, which we do not for a moment believe."

I am sure the Commission were right in anticipating that that would not be the reaction of Canadians. In fact, the very contrary has occurred. As Canadians have expanded the range of their travel, as they have learned more, through their reading and through the public information media, about conditions in the developing countries, they have wanted to go beyond what is being done in this field by the Canadian Government through the use of public funds. And today an increasing number of Canadians, as individuals or through organizations formed for this purpose, are involving themselves in Canada's foreign aid programme. That this expanding degree of participation by Canadians owes its inspiration essentially to human, if not humanitarian, considerations, of that, I think, there can be no doubt.

The fact that foreign aid is morally the right course to follow is not inconsistent with its being justifiable on more pragmatic grounds. I remember Barbara Ward putting the point as follows in her inaugural contribution to the Massey Lectures some years ago:

"To me, one of the most vivid proofs that there is a moral governance in the universe is the fact that when men or governments work intelligently and far-sightedly for the good of others, they achieve their own prosperity too.... 'Honesty is the best policy' used to be said in Victorian times. I would go further. I would say that generosity is the best policy and that expansion of opportunity sought for the sake of others ends by bringing well-being and expansion to oneself. The dice are not hopelessly loaded against us. Our morals and our interests -- seen in true perspective -- do not pull apart."

In almost all countries today it is accepted that the maintenance of high levels of production and employment depends on the existence of adequate demand. Indeed, we are spending vast sums of money each year to stimulate demand by means of advertising and in other ways. At the same time, there are millions upon millions of disenfranchised consumers in the developing regions of the world whose potential demand upon our productive facilities remains to be unlocked. Surely, then, it is in our common interest -- that is to say, in the common interest of the advanced countries and the developing countries -- to enable these countries to make their proper contribution to the world's wealth and to participate more fully in world trade. Admittedly this is a long-range objective of foreign aid but it is one which, I think, we cannot with impunity afford to ignore. It is an objective of particular relevance to a country like Canada which, as one of the major trading countries of the world, has a vested interest in expanding world trade.

The economic benefits of foreign aid are not, however, limited to the longer term. We in Canada have followed the practice of providing aid largely in the form of Canadian goods and Canadian services. I am aware that this practice -- which most other donor countries have also followed -- has met with some degree of criticism. So long, however, as we continue to provide the developing countries with goods and services which Canada can supply on an internationally competitive basis, I think a good case can be made for a country like Canada to provide its aid in that way. The advantages, as I see them, are fourfold:

First, the resources allocated to foreign aid serve directly to stimulate the growth of our economy by contributing to the level of production, exports and employment.

Second, the provision of foreign aid enables Canadian producers, engineers and educators to gain valuable experience and Canadian products and skills to become known in new areas.

Third, in the process of providing foreign aid the horizons of Canadians are enlarged and Canada's image abroad is more clearly projected.

Fourth, the use of Canadian goods and services gives Canadians a stake in foreign aid which, I am sure, has helped to enlist and maintain public support in Canada for an expanding foreign aid programme.

If the ultimate effect of foreign aid is intended to be economic, its political significance can hardly be overstated. For we must remember that foreign aid is being injected into countries and societies which are, without exception, caught up in a tremendous process of transformation. Many of these countries have only recently attained their independence. More often than not, independence has accelerated the pressure for change and has heightened impatience with the pace at which it is proving possible to mobilize the resources and the skills that are required to achieve progress on the social and economic front. This is what is sometimes referred to as "the revolution of rising expectations" and it is being fed by knowledge of the vast potential benefits that science and technology have to offer to twentieth century man. The newly independent countries are determined to break out of the vicious circle of poverty and disease and illiteracy into this modern technological society. They are not prepared indefinitely to tolerate conditions in which the rich are growing richer and the poor are staying poor. They recognize that change cannot come overnight but there are deadlines which the governments of these countries can ignore only at their own peril.

The political implications of all this are clear. In the first place, as I suggested at the outset of my remarks, we cannot reasonably look for any real measure of stability or security in a world, two-thirds of whose inhabitants are living in a state of social ferment and economic discontent. I do not suggest -- and I do not believe anyone would suggest -- that foreign aid can provide anything like a complete answer to the problems of the developing countries. But, coupled with the efforts of these countries to create a sound basis for development, foreign aid can provide the beginning of an answer. Above all, it provides reassurance to these countries that they will be able to move forward in a co-operative world environment.

Secondly, we must remember that the need to mobilize resources for rapid economic development poses problems of the greatest magnitude in countries where a majority of the population are living at or near the level of bare subsistence. The basic problem, I think, from our point of view is whether in those conditions the development process is to go forward in a framework of freedom and respect for the uniqueness and diversity of men or whether it is to go forward under the impetus of political coercion and

constraint. In referring to this as a basic problem I have in mind a passage in Mr. W.W. Rostow's book on "The Stages of Economic Growth" in which he puts the point as follows:

"If we and our children are to live in a setting where something like the democratic creed is the basis of organization for most societies, including our own, the problems of the transition from traditional to modern status in Asia, the Middle East, and Africa must be solved by means which leave open the possibility of a humane, balanced evolution."

And he goes on to say that

"It will take an act of creative imagination to understand what is going forward in these decisive parts of the world; and to decide what it is that we can and should do to play a useful part in those distant processes."

These, then, are some of the political implications of foreign aid as I see them. But I do not want to be misunderstood. I do not conceive of foreign aid as a means of imposing our political views and attitudes on the developing countries. That, to my mind, would be a self-defeating objective. It would create suspicion and hostility instead of confidence which is the only sound basis on which an effective foreign aid programme can be conducted. Not only would a foreign aid programme with political strings be self-defeating but it would be unrealistic. We cannot, with the best will in the world, expect to promote the establishment of parliamentary democracies on the Westminster model all over the world. Many of the new countries bring traditions of their own to the political evolution upon which they are embarking and they will in due course evolve their own patterns of government and social organization. But what we can do -- and what I think it is legitimate for us to do -- is to enable these countries, at their own option, to develop -- to quote Barbara Ward once again -- "open societies in an open world".

In the light of what I have just said the question may be asked whether there are really no circumstances in which it would be permissible -- and perhaps even right -- to attach conditions to the provision of foreign aid. It is a question which I do not wish to avoid although it is a complex one and one which does not lend itself to dogmatic pronouncements. We do have to remember, I think, that the countries with which we are dealing are in many cases young countries, jealous of their independence and sensitive to anything that might be construed as circumscribing that independence. We also have to remember that there is no ready distinction to be drawn between different sets of conditions. Any condition is apt to be interpreted as being political in nature and design. This having been said, I think there is one condition which we have a right to attach to our aid and that is that it should be put to effective use. We can legitimately argue, I think, that the resources we allocate to foreign aid are intended to serve one overriding objective, which is to supplement the resources the developing countries themselves can manage to mobilize for their economic development. Where there is no sound indigenous development effort, foreign aid is unlikely to accomplish its objective.

And if foreign aid does not accomplish its objective, governments in the donor countries will not be able to maintain public support for their foreign aid programmes. By insisting, therefore, that our foreign aid should be effectively used and that economic development in the countries receiving that aid should have a priority claim on the resources that are being generated, we are surely not surrounding our aid with conditions that are incompatible with their own best interests.

The concept of foreign aid is of relatively recent origin. Modest at its inception, it already encompasses the movement of significant resources from the advanced to the developing countries. Taking the advanced countries of the free world alone, the amounts provided from official sources for this purpose are now well in excess of \$6 billion a year.

Foreign aid is, of course, only one response to the challenge of under-development. It will not by itself close the widening gap in living standards and we should be under no illusion that it will do so. For the resources mobilized through foreign aid represent -- and will continue to represent -- only a small portion of the resources that will have to be mobilized if the developing countries are to achieve the momentum needed for self-sustaining growth. Meanwhile foreign aid can help, as William Clark recently put it in his preface to a Handbook on Developing Countries, "to put a floor under poverty". That it should succeed in doing so is a matter of enlightened self-interest for all of us.

The claim is sometimes made that man's scientific progress has out-paced his moral capacity to measure up to his responsibilities in a changing world. There is something to that claim but I would like to think that in this matter of foreign aid we are at least beginning to take the measure of the changing world around us.

s/c

Gov. Doc
Can

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

581

STATEMENTS AND SPEECHES



CANADA

INFORMATION DIVISION

Canada DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/3

Extracts from an Address by
the Right Honourable Lester B. Pearson,
Prime Minister of Canada,
to the Canadian Club of Ottawa,
February 10, 1965.

How do we face the world in 1965 - and what face does the world show us at the present time?

In the first place, we shall not make much of a face at all - before others - if we do not maintain a good face at home, with strength and unity, a sense of purpose and progress. A weak and divided Canada, anxious about its present, and lacking faith in its future, can play no worthy part in international affairs. This is only one additional reason for confounding our domestic defeatists and for reminding ourselves that Canada's destiny is as bright as that of any country in the world. Foreigners know it. So should we, and declare our belief in words and action.

We must face the world, then, with confidence in ourselves. Only then can we continue to make an effective contribution to that search for peace and security which remains the first objective of our foreign policy.

What form should that contribution take? What is the best way, for us, at this time, to operate internationally, as a middle power whose policies cannot compel anyone but may influence many, as a middle power with a proud international record, a country which also has special advantages in diplomacy and international relations - advantages which flow out of our continental and Commonwealth positions, out of the reputation we have gained as a people who honourably discharge their international duties in war and in peace? Our opportunities, and our obligations too, are the greater because we have the economic power, the material resources, and the technical skills to make our position one of respectable importance, while we are not big enough to alarm anybody or dominate anybody's way of life. We have American plumbing without American power. This makes us attractive to many - especially new and under-developed states.

If we examine - as we should - how best we may today participate in international affairs (and I can only touch on one or two aspects of such participation), we should not be unduly influenced by the post-war experience we have had, most of which is highly creditable to ourselves but which was determined by conditions which have changed and are changing, and in which we worked through international organizations which now have to be adapted to these world changes.

I think of the Commonwealth, of NATO, of the United Nations, and, of course, of this continent where Canada-U.S. relations, so vitally important to us, have of themselves built up a series of organizational arrangements, ranging from formal ministerial or official committees to direct personal contacts, by meeting and more frequently by telephone. I may add that the lines are open, the talk is friendly and the problems are many and difficult.

One factor in our foreign relations is unchanging, however, in a changing world - the importance to us of international trade and investment.

By any standards, Canada is one of the world's greatest trading nations. Our interest in expanding world trade - and we are showing it in a very practical way at Geneva at this moment - is based not only on material self-interest (no country depends more on trade than we do for prosperity); it is also a measure of our belief in the neighbourhood of all men and all nations.

We should be very foolish indeed if we managed our own financial and economic affairs in a way to prejudice our good relations with our trading friends.

The first of the international groupings through which our foreign policies operate is the Commonwealth of Nations. This now bears about as much relation to the British Commonwealth that existed when I first entered External Affairs in 1928 as the life I led then does to the life I lead now!

The little group of white graduates from colonial status sitting around the fireplace at 10 Downing Street at periodic clubby meetings and listening to the old headmaster discuss the imperial burden and how the youngsters should now appreciate the privilege of sharing it - this has been replaced by 21 prime ministers seated formally around a conference table, all but four (at the most recent meeting) from Asia, Africa, the Mediterranean or the Caribbean. As an old-school-tie bond, terms at Oxford or Cambridge now have to yield precedence to a term in one of Her Majesty's penal institutions, for disaffection.

At its last meeting of prime ministers, this new Commonwealth decided to establish a central Secretariat. Such proposals have been made before. They had always been rejected by Canada - particularly by Mr. Mackenzie King - as establishing machinery for imperial centralization which would

affect our cherished status. This reason may have been valid 25 years ago. Its unreality now is shown by the fact that the new African Commonwealth nations were the initiators of the Secretariat idea and that no one expects - least of all Downing Street - that a U.K. national will be the first Secretary-General. He is more likely to be a Canadian.

This gives the clue to the new value of an old international institution. The Commonwealth must become a link of goodwill and mutual assistance between nations of every race, colour and continent and in every stage of development; it must utilize the feeling of family, which persists, to build up a meaningful, non-discriminatory co-operation, based not so much on preferential trade as preferential feeling. If it can do this, the Commonwealth can enter a period of new and wider usefulness. It is our policy to do everything we can to achieve that result.

Then there is NATO, another international club of which we are a charter and dues-paying member. I believe in the Atlantic coalition as much as I ever did, but less as a defence coalition and more as a foundation for a closely co-operating political and economic community. Unfortunately, there is little political and economic cement these days for Atlantic unity - while the bond of collective defence for collective security, though still the main force that holds the Alliance together, is becoming weaker as the conditions which brought about NATO in the first place change. Those conditions were primarily the menace of Soviet military aggression and the temptation of European weakness and division.

Now Europe is strong and flourishing. This, plus Eastern Europe's gradual emergence from satellite dependency, and other things, has lessened the immediate fear of armed aggression by the Soviet Union.

We must now re-examine the principles on which the Atlantic Alliance was founded 16 years ago. The best result would be to come closer together, organically, on the old treaty basis. But that is impossible at the moment if we wish to include the France of General de Gaulle. And, certainly in Canada, it is impossible to contemplate an Atlantic coalition without France.

Alternatively, we may have to consider new arrangements by which Europe takes responsibility for the security of one side of the Atlantic, North America for the other, with interlocking co-operative arrangements for mutual assistance against attack.

I do not suggest that such a development in the Atlantic Alliance is going to take place this year or next. Nor do I suggest that anything we do should run counter to the building up of the Atlantic Community in every way open to us.

I merely state that the defence arrangements suitable for 1948 may not be appropriate for 1965, or possible, for long, after 1965.

This means that a country like Canada will have to consider very seriously whether the contribution we are at present making overseas to NATO is the best use of our resources for the defence of peace. It is not a matter of defaulting on our obligation to contribute to collective defence. It is merely a matter of how best we can continue to do it as conditions change. It is always easy - and therefore tempting - to follow the beaten path, even when it is not leading us anywhere in particular. But, I should add, before we abandon that path, we had better be reasonably certain that the new route is a better way of reaching the goal.

Next, there is the United Nations, full support of which, as I have been saying for 20 years, is a basic foundation of our foreign policy.

I still believe this, but I think the time has come - especially in the light of the current crisis in the Assembly - to have a long, hard look at the organization.

It has changed in 20 years as much as has the Commonwealth. It is no longer dominated by Western Europe and the Western Hemisphere, with a few Communist states raising the devil at every opportunity. The Communists are less obstreperous and the domination through numbers is becoming more and more African and Asian.

We have to re-examine the Charter in the light of this change and of the new world of emerging peoples who do not necessarily believe in either Communist ideology or in Parliamentary democracy.

For instance, when the U.S.S.R. and the U.S.A. confront each other in New York, on the problem of no-payment-no-vote, the majority of UN members are now not impressed by either side.

Furthermore, if we solve this particular financial problem without facing up to bigger issues, the solution would not amount to much more than papering over cracks.

What we shall soon have to decide is whether the UN is to become merely a social, humanitarian, and assistance organization, with political and security problems only for debate, not resolution. Or whether, by revising the Charter or by agreement between the more important members, the peace-keeping functions of the United Nations can be made reasonably effective. The time of decision is approaching.

It is becoming increasingly difficult for a limited group of middle powers, of which Canada has been in the forefront, to carry the burden of serving in peace-keeping forces while others of greater resources and power not only refuse to pay their share of the cost but insist that the operation itself is illegal under the Charter.

That is why any small committee, set up to find a solution to the current dues-payment crisis, should also be asked to look into the whole question of the organization of peace-keeping operations under the Charter.

Then, finally, there are Canada's continental relations with her neighbour, who also happens to be the leader of what we, sometimes rather loosely, refer to as "the free world".

Good relations with the United States on the basis of mutual respect, of friendly co-operation rather than friendly domination, must be the very keystone of Canada's foreign policy.

Such a policy does not permit either automatic support or captious criticism. We must protect and advance our own national interests, but we should never forget that the greatest of these is peace and security. The achievement of this aim - it is chastening to realize - does not depend on our policies so much as it does on those of our neighbour. Therefore, the satisfaction we get from national identity and independence must be related to the requirements of interdependence and the recognition of the global responsibilities of the United States in the pursuit of objectives and values that we share.

This will mean, in practice, that our official doubts about certain U.S. foreign policies often should be expressed in private, through the channels of diplomacy, rather than publicly by speeches to Canadian Clubs. It does not mean that we must always remain silent if there is strong disagreement on matters of great moment or principle. Not at all. Canadians in official positions have more than once spoken very frankly about policies and actions of our neighbour. Washington ruefully refers to it as arm-twisting from a close friend. But we must never do this merely for the purpose of rousing a chauvinistic cheer at home. Pulling the eagle's tail feathers is an easy, but a dangerous, way to get a certain temporary popularity, as well as a feeling of self-satisfaction at having annoyed the big bird.

It's a form of indulgence that we should keep strictly under control - for national and international reasons.

A very good example of both the strength of the temptation and the necessity for control is to be found in the current situation in Vietnam.

We should be careful before hasty condemnation of U.S. retaliatory or deterrent reactions - a new phrase - against Communist Viet Cong attacks. We should remember that the Geneva arrangements of 1954 partitioned Vietnam and prohibited attacks from one side against the other; but the Northern Communist government, with Chinese backing, have from the beginning violated this agreement by continuous, Chinese-supported guerilla warfare in the South. There has been continuous armed provocation.

The other side of the picture is that there has been almost continuous failure on the South Vietnam side to deal with provocation from the North through their own political and military efforts. South Vietnam has had massive U.S. assistance, but we cannot overlook the fact that U.S. policies in Vietnam seem to have found no solid basis of support through a South Vietnam government of strength and popularity.

It's a confused and dangerous situation. The best solution, of course, would be to end foreign intervention and bring about a unified, independent, neutral Vietnam. But what chance has a unified Vietnam of becoming anything but a Communist Vietnam, not through popular decision but by Chinese imposition?

This is the basic problem that we must set beside the obvious danger that retaliation may escalate into war. So let us not oversimplify the problem, especially to justify easy criticism of U.S. policy.

On Monday of this week, the Government of India, through its Prime Minister, noting that there had been interference in Vietnam from many quarters and that one thing had led to another, appealed for "an immediate suspension of all provocative action in South Vietnam as well as North Vietnam by all sides". This is an appeal which I can heartily support, but, I add, only in its entirety.

The Indian Government also proposes negotiations through a Geneva-type conference to seek a peaceful and enduring solution. Technically speaking, such a meeting is not necessary, because the conference and agreement of 1954 made adequate provision for the independence of the various countries of former French Indochina. Nevertheless, if in the circumstances envisaged by the Indian Government, in which neither side would be exerting military pressure on the other, a conference of the kind indicated took place, the Canadian Government would be glad to take part in it as we did previously.

What are the alternatives?

(1) To let things go on as they are, hoping that the Viet Cong will eventually cease their attacks and that U.S. counteraction of the kind recently taken will not again be required.

A considerable amount of optimism is required to believe in this course.

(2) For the United States and the Vietnamese to use massive deterrent or retaliatory force against Communist bases in the North every time there is a Viet Cong attack in the South.

The argument for this is that it will force the Chinese-supported Viet Cong to leave South Vietnam alone and hence create a better atmosphere for a negotiation which could lead to foreign withdrawal and non-intervention.

Some degree of optimism is also required to reach this conclusion. Another, and less satisfactory, result might be a full-scale Far Eastern Chinese-American war.

So the situation is full of danger and Canada is directly interested in it. We have naturally expressed our concern to our neighbour. But at this time, and following the precepts I have mentioned, that concern is most likely to have maximum influence if it is expressed responsibly through diplomatic channels.

s/c



STATEMENTS AND SPEECHES

VIETNAM

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

UNIVERSITY OF TORONTO LIBRARY
Reference Department

Government
Publications

No. 65/4 Excerpts from an Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the Board of Evangelism and Social Service of the United Church of Canada, Toronto, February 18, 1965.

In the past week or so we have all, I think, been disturbed by the turn of events in Vietnam. These events cannot, of course, be assessed in isolation. They represent the culminating point in a series of developments going back at least a decade. I think it is particularly important that these developments are understood in Canada because they affect us through our membership in the International Commission which was set up in 1954 to supervise the cease-fire arrangements in that area.

There has, I know, been some criticism of the role of the International Commission from time to time. While I would be the first to admit that it has not always functioned in the way in which the Canadian Government has believed it should, we must remember that Canada is only one of three members. While we can press and, indeed, have pressed, our partners to agree with us, we have not always succeeded. Our efforts have been directed towards highlighting the problem of subversion in South Vietnam, which is the basic difficulty in the situation. We have been prepared to co-operate with our partners and to compromise on detail in reviewing this crucial problem, but we have not been prepared to compromise in our assessment of its fundamental importance.

To those who maintain that the Commission has been ineffectual in preventing the development of this dangerous situation in Vietnam, I can only say that the Commission was never intended to be an enforcement agency; it has no powers to coerce the parties into taking or desisting from action. Its sole function is -- as its title implies -- to supervise. If the parties to the Agreement are not prepared to implement its terms, if they are not prepared to co-operate with the Commission, the Commission itself can only report these defaults in the hope that its reports may influence the policies of those concerned with the situation in Vietnam. Beyond this, I believe that the presence of the Commission has served as a restraining influence and as a force tending towards stability.

In its special report of June 1962, the International Commission in Vietnam, after careful analysis of a large number of South Vietnamese complaints, came to the conclusion that armed and unarmed personnel, arms, munitions and other supplies, had been sent from North Vietnam into South Vietnam with the object of supporting, organizing and carrying out hostile

activities, including armed attack directed against the armed forces and administration of South Vietnam. This same report also concluded that the North Vietnamese authorities had allowed their territories to be used for inciting, encouraging and supporting hostile activities in South Vietnam aimed at the overthrow of the South Vietnamese administration.

It is against the background of these established facts that recent events must be judged. It is not my purpose to justify or condemn retaliation. Least of all would I seek to discount the risks it involves. What I do wish to point out is that to see the recent military action against North Vietnam as gratuitous and unrelated to what has been going on in South Vietnam for years is seriously to distort our appreciation of a complex problem.

The United States Government has made it clear that it seeks no wider war. In responding to provocation, its military action was limited and specific, in being confined to military targets forming an integral part of the network by which the North steers and supplies the rebel military forces in the South. As proof of its intentions, the United States has taken prompt action in informing the Security Council of what had happened.

This does not, of course, lessen the dangers. The situation calls for great restraint on the part of all concerned, and this means, in the first instance, restraint by the Viet Cong and the authorities in North Vietnam. Further attacks in the South, followed by further raids on the North, could lead to escalation, bringing with it Chinese and even Soviet military involvement. To avoid such a course of events, Canada has made an urgent appeal for caution, not only in Washington but also in Moscow and in Warsaw, where we have asked the Soviet and Polish Governments to use their influence in the interests of avoiding new incidents. Similar appeals have been made by the Government of India and by the Secretary-General of the United Nations.

Is there anything more positive that can be done towards working out a durable settlement of the problem in Vietnam? In some quarters, a new Geneva conference has been urged. The machinery for such a conference exists within the framework of the 1954 agreements. As far as Canada is concerned, I have stated on many occasions that we are prepared to participate in such a conference provided it is held in the right conditions. But so long as the North Vietnamese authorities persist in their policy of intervention in the South, it is difficult to see what useful contribution could be made to the peace and stability of Vietnam by a new conference. Surely the right course is to embark on such a conference in conditions where there is a reasonable prospect of arriving at an accommodation.

What is required, I believe, is a period in which military pressure is not being exerted by either side and the build-up of tensions is allowed to relax. It might then be possible for all concerned to take a new look at the situation, including the prospect of a new conference.

Canada is in Vietnam as custodian of an international agreement. Our first concern, therefore, must be to see that that agreement is faithfully observed and peace is maintained. Canada has no national interest to assert in that part of the world. But we do have an interest, as a responsible member of the world community, in helping to ensure that all people in the area are enabled to live under conditions of their own choice. And we shall naturally be ready to play whatever part we can to that end.

S/C



CANADA

Gov. Doc

Can

E

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/5

THE UNITED NATIONS CRISIS

Address by the Honourable Paul Martin,
Secretary of State for External Affairs,
to the Vancouver Institute, February 20, 1965.

It would be easy, for anyone contemplating the course of events from day to day, to look upon the world in which we live as one in which crisis succeeds crisis. I have myself tried to resist this tendency for two reasons. First, because it is important to distinguish crisis from change. It is inevitable, I think, that a period in which a very large number of new nations have been emerging, in which traditional societies are being compelled to make the transition to modern status and modern structure, in which science and technology are being mobilized on a vast scale in support of man's efforts to control his environment and make it more amenable -- that such a period should be one of change. I believe it would be wrong for us to be daunted by the prospect of change or to be drawn to conclude that all change is necessarily critical.

My second reason for hesitating to apply the term "crisis" indiscriminately to the trends and developments to which Canadian foreign policy must be responsive is because I am confident, in my own mind, that the direction in which matters have been evolving over the past two decades has, on the whole, been right and beneficial. I say this because, over that period, we have come, over an increasingly wide area, to organize our affairs in common. We have come to recognize and accept the implications of our interdependence. And we have created the institutions that enable us to give substance and meaning to the conception of a world community. Among these the United Nations occupies, of course, a vital place.

I put these reflections before you today because they provide the setting for what I would like to say about the really critical situation which I think we have now reached in the affairs of the United Nations. In using the term "critical" in this context, I do so advisedly and in the sense of Mr. Adlai Stevenson's memorable speech to the General Assembly last month in which he said:

"We have reached a fork in the road ahead of this organization -- and thus in our search for world order and our journey toward a wider community."

Much has been said and written about the crisis which confronts the United Nations at this moment -- so much, in fact, that there has been difficulty in retaining the elements of that crisis in proper perspective. Perhaps, therefore, it would be useful if I were to try to disentangle the situation as I see it.

In the immediate foreground, there is what I might call the crisis of solvency of the United Nations. This can be summarized briefly as follows: An amount of some \$140 million is now owing to the United Nations in accumulated arrears. The net cash resources of the organization have dwindled to less than \$15 million, its Working Capital Fund is all but depleted, and it has debts amounting to \$45 million in addition to outstanding bonds in the value of some \$150 million which were issued to finance peace-keeping operations in 1962-63, and which must, in due course, be redeemed.

I think these figures tell their own story. They indicate that the United Nations is facing an acute financial crisis which requires attention quite apart from any of the issues underlying it. For it would surely be tragic if, in addition to being inhibited from conducting its normal business, the United Nations were unable, as the Secretary-General recently put it, in the weeks and months ahead "to keep faith with those who have kept faith with it".

Some two-thirds of the arrears owing to the United Nations is attributable to the unwillingness of certain member states to pay their assessed share of duly-authorized expenditures for keeping the peace. The major defaulter on that account is the Soviet Union, which accounts for just under half of the total arrears outstanding.

This brings me to the second element in the present crisis, which I might call the crisis of confrontation. This has tended, in recent discussion, to overshadow the underlying financial problem.

The crisis of confrontation has hovered, like a Damoclean sword, over the ill-starred nineteenth session of the General Assembly which has now adjourned until September. It could have been precipitated at any time -- as it almost was on Thursday of this week -- by a delegation refusing to go along with the consensus procedure by which the General Assembly has conducted its business since it first met on December 1. For a recorded vote could -- and in ordinary circumstances would -- have raised the issue of invoking Article 19 of the Charter against those member states whose arrears exceeded the contributions due from them for the preceding two full years. Article 19 stipulates that, in those circumstances, the defaulting member state shall have no vote in the General Assembly.

According to the latest count, 13 member states find themselves in that position, including two of the permanent members of the Security Council -- the Soviet Union and France. These countries have argued that Article 19 does not apply to arrears arising out of assessments for peace-keeping operations of the United Nations, in that such assessments are not binding obligations within the terms of the relevant Articles of the Charter.

When that view was formally put to the International Court of Justice for an advisory opinion, the Court indicated that it did regard the costs of peace keeping as "expenses of the organization" to be borne by the member states in the normal way. The General Assembly subsequently endorsed that opinion by a very substantial majority. In doing so, it endorsed the legal character of assessments for peace keeping and, by implication at least, the relevance of Article 19 to arrears incurred on peace-keeping account.

But if the legal position was clear, the plain fact is that the generality of the membership were determined to avoid a confrontation in circumstances where they were not convinced that all other means of resolving the crisis had been exhausted. That position was, I think, underlined beyond any doubt by the events of the past week.

As far as Canada is concerned, we should have felt bound to support the application of Article 19 to the defaulting countries if there had been a confrontation on that issue. We accept the advisory opinion of the International Court. We regard Article 19 as relevant to the arrears accumulated on peace-keeping account. We consider the loss of vote in the General Assembly in this situation as mandatory. And we think that, on balance, there would have been great harm to the continued financial stability of the United Nations if there had been failure to apply the one effective sanction the United Nations Charter has for persistent financial default.

On the other hand, there are those who argue that a confrontation, whatever its outcome, would at best have yielded a Pyrrhic victory. For even if there had been a majority in favour of depriving the defaulting member states of their vote in the General Assembly, it is doubtful if those states would, in such circumstances, have been willing to settle their arrears. If, on the other hand, the move to invoke Article 19 had failed to command a sufficient majority, some of the most loyal supporters of the United Nations might have had difficulty in continuing to accept the principle of collective financial responsibility and the support in those countries for the United Nations cause would inevitably have received a serious setback. In either case, the financial problem of the United Nations would have remained unsettled. There would have been division and recrimination among the membership. The capacity of the United Nations for future collective action would have been weakened. And much of the patient work that has gone into providing at least a minimum basis of accommodation between the United States and the Soviet Union might have been undone. These are some of the considerations that seemed to many member states to argue against a confrontation if that could be avoided.

I have spoken of the crisis of solvency, which continues. I have also spoken of the crisis of confrontation, which, for the time being at any rate, has receded into the background. Beyond these, however, lies what I consider to be the real crisis facing the United Nations and on the outcome of which will depend whether or not the United Nations will continue to have an effective and assured capacity of maintaining peace and security. And that is the constitutional crisis.

To explain the origins of that crisis, it is necessary to go some way back. When the Charter of the United Nations was drawn up, it was assumed that the great powers would carry the major responsibilities for the maintenance of international peace and security. It was part of that assumption that any really effective security system would have to rest on the continued collaboration of the great powers. That is the assumption that lies behind the veto, as it does behind Chapter VII of the Charter, which provided for United Nations forces to deal with threats to the peace, breaches of the peace and acts of aggression. It was implicit in that assumption, of course, that lack of unanimity amongst the great powers would prevent the proper functioning of the enforcement system laid down in Chapter VII.

As matters turned out, the great powers were unable to agree on procedures for raising the security forces contemplated by the Charter and member states were compelled to turn to regional means of organizing their security, as in the case of the North Atlantic Alliance. But the United Nations was still capable, with the consent and at the invitation of its member states, to interpose its presence in situations of conflict or potential conflict -- to hold the ring, as it were, until longer-term solutions could be worked out at the political level. And that, in a sense, has been the essence of United Nations peace keeping from the appointment of a United Nations Military Observer Group to supervise the truce in Kashmir in 1947 to the latest United Nations operation on the island of Cyprus.

What is at issue in the present constitutional crisis are the respective authorities of the Security Council and the General Assembly in relation to peace keeping. The Soviet Union, and the countries of the Soviet bloc, hold that the Security Council is the only organ competent to deal with the maintenance of international peace and security, that it alone has the authority to initiate, direct and make provision for the financing of peace-keeping operations, and that any other procedures are illegal and invalid.

I think it is fair to say that the primacy of the Security Council in the matter of maintaining international peace and security is acknowledged by the generality of the membership of the United Nations. With the adoption, however, of the important "Uniting for Peace" resolution in 1950, the General Assembly asserted certain residual rights and responsibilities in these matters for which provision is made in the Charter. These rights and responsibilities were invoked by the General Assembly for the first time when it authorized the despatch of the United Nations Emergency Force in response to the Suez crisis. They have been invoked on two subsequent occasions, and there is a general feeling that they must be preserved to deal with situations where the Security Council is unable to act.

It is also generally acknowledged, I think, that there may have to be special scales and procedures for the financing of peace-keeping operations. What is at issue is the extent to which any such special arrangements can be reconciled with the need to give the United Nations as assured capacity of keeping the peace.

I have endeavoured to describe the elements of the crisis which is at present facing the United Nations. It is not, of course, the first such crisis to have preoccupied us but it may well be the most serious. For its outcome may determine the shape of the future destiny of the United Nations. Is the United Nations to endure -- as the Secretary-General recently put it -- "as a dynamic and effective instrument of international action" or is it to survive -- in the words of The Economist -- "merely as a spectacular talkathon, pickled and powerless"? That is the real issue we are facing today.

I would not wish to conclude these observations without saying something about the Canadian position. Canada has a vital stake in peace keeping. We have participated in every major peace-keeping operation undertaken under the auspices of the United Nations since 1948. We have set aside standby forces within our military establishment to be at the disposal of the United Nations in situations of emergency. We look upon the evolution of the idea of peace keeping as reflecting the will and determination of the world community to work towards a peaceful and securely ordered world. Much as we might wish it were otherwise, we do not think that the need for a United Nations capacity to keep the peace is likely to diminish in the foreseeable future.

The present crisis did not break upon us suddenly. It has been building up for some time and we have played an active part; over the past year or two, in the working group that was set up by the General Assembly to look into possible solutions. It was our hope that, if reasonable arrangements could be devised for future peace-keeping operations, there would be no difficulty in liquidating the past. But that assumption has turned out to be unrealistic, and it is now clear that all aspects of the peace-keeping problem -- present, past and future -- will need to be brought within the compass of negotiation. In the process of negotiation it is accepted, I think, that the permanent members of the Security Council will have a special responsibility for staking out the area within which an accommodation may be possible. This does not diminish, however, the stake which each and every member of the United Nations has in the outcome of the present crisis.

As far as Canada is concerned, our objectives in the impending negotiations are simple and clear-cut. They are:

First, to restore the United Nations to solvency and to prevent the possibility of a recurrence of the present crisis;

Second, to preserve the capacity of the United Nations to play its rightful part in the maintenance of international peace and security;

Third, to accomplish these objectives on the basis of the broadest possible consensus, which alone will ensure that the solutions devised with regard to peace keeping are effective and durable and that the United Nations is once more enabled to press forward with other urgent business.

The French writer Francois de Callières once wrote that "the secret of negotiation is to harmonize the real interests of the parties concerned". For my own part, I believe that a strong and viable United Nations is and will continue to be in the real interest of all the parties to the negotiations which are about to commence. If I am right in that belief, then surely the Secretary-General is justified in expressing the conviction that, given the will to reach them, it should not prove "beyond the capacity of reasonable men to reach reasonable accommodations".

s/c



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
"DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/6

U.S. - CANADA CO-OPERATION

Notes for an Address by the Prime Minister,
the Right Honourable Lester B. Pearson, to the
Canadian Society of New York, March 5, 1965.

In the past two years, Canada's economic performance has been good - and prospects for this year are equally good. In 1963 and 1964, our gross national product increased by a total of 14.6 per cent, to \$46.4 billion. In fact, our percentage increase was greater than yours.

On a per capita basis, and in terms of 1957 dollars, our increase was 6.8 per cent. Your per capita increase was 5.1 per cent. So we're catching up to your material standard of living. We may soon achieve your goal of two television sets in every room and a helicopter for every backyard.

On the political front, difficulties in building a strong, progressive and prosperous federal state, covering more than half a continent, are being faced. I should be the last to deny that these difficulties are as great and complex as have ever faced 20 million people. But they are being overcome. New opportunities are also being seized.

It is the first responsibility of the Government of Canada - as of any government - to ensure that our national purposes are achieved, that our economic and material progress is continued and that its benefits are spread as widely and as equitably as possible among all our people.

In our country - as on this whole continent -, it is inadmissible that technological and other changes that have led to the affluent society in aggregate should exclude so many from that affluence.

The record is good, but we are on the threshold of even greater developments.

Many of these are taking place in the vast space Canada occupies north of the main population centres of this continent, but they stretch from Atlantic to Pacific and right across the Arctic - from Labrador to the Alaskan Panhandle.

These developments range from spectacular iron-ore discoveries on the Arctic Circle and in Baffin Island to active - and promising - oil exploration over areas in excess of 34 million acres off our three coasts.

The Arctic iron discovery, for example, indicates, after only two years' work, a reserve of some 22 billion tons; I am told this is four times the domestic U.S. consumption of iron to date, and that this may well prove to be the largest single iron deposit in the world.

New developments under way also include: work on both the Peace and Columbia river systems in British Columbia; planning on Churchill Falls in Labrador; potash discoveries in our prairies that promise to make us one of the world's leading suppliers; and shipment begun this year of lead and zinc from the shores of Great Slave Lake, from what may well be one of the richest lead-zinc deposits in the world.

These are but a few of Canada's newly-discovered resources. They don't even begin to tap what we have - in power, in oil, in minerals and in water.

In all this development, we wish to maintain the closest and friendliest relations with our neighbour.

Neighbourhood is more often a matter of history and of geography than of choice.

But good neighbourhood is a matter of choice; determined by policy and decision and desire.

We do have - by conscious choice - good neighbourhood on this continent. But, just as it doesn't occur of itself, it can also be weakened and ultimately lost by unwise action or by careless neglect.

Good neighbourhood, moreover, between two countries so different in power and in world responsibilities as ours, requires on both sides mutual respect and mutual understanding. It does not mean automatic support for each other's policies. It does mean a desire to give and receive such support - conscious and continuous action to achieve it. It means also that, when there are differences, there should be a determination to minimise their effect to the greatest possible extent, to recognize that division means a weakening in the partnership and - in the larger sense - a weakening of the strength of U.S. leadership in the great coalition to maintain freedom in the world.

In concrete terms, and on the Canadian side, this means that we shall support the United States whenever we can and we shall hope that that will be nearly all of the time. Perfection would be too much to expect.

On the economic front, good neighbourhood means that we in Canada should acknowledge and appreciate the very important part American enterprise and American capital have played in the development of our country - both in its pace and in its pattern. We wish to continue the pace - but we are somewhat worried, as Americans would be in our place, about the pattern. It is a pattern that has resulted in a greater proportion of Canada's resources and industrial production coming under foreign, largely American, control than is the case with any other industrial country. Today, non-resident control, almost entirely from the U.S.A., covers almost 60 per cent of our manufacturing.

Naturally, this worries us because of the effect it might have on our political development as a separate independent state. It would worry us even more if our media of communications or our financial institutions were owned or controlled outside our borders.

While our anxiety in Canada on these matters is natural, we should not (and I assure you the present Government will not) permit this anxiety to express itself in policies that are unfair to our neighbour. We shall take steps, when required, to encourage greater Canadian control and ownership of Canadian resources and production. But we can, and must, do this not by punishing or by unfairly discriminating against foreign investors but by sensible policies to encourage our own.

Among the many things that Canadians and Americans share at the present time are difficulties in our balances of international payments.

In essence, as I understand it, the heart of your balance-of-payments problem is that American private investors have been trying to invest abroad rather more than your country can currently afford, and this has resulted in a drain of your gold reserves. Accordingly, in his Message to Congress of February 10, your President launched a campaign designed to moderate the outward flow of your private foreign investment.

The Canadian Government will always wish to co-operate, to the maximum possible extent, in measures designed to strengthen your economic and financial position, for our fortunes depend heavily on yours. Thus, when the President, shortly before delivering his message, sought assurance from us that our policies were being and would be directed towards limiting any excessive capital inflows from your country to ours, the Canadian Government was glad to give such assurance promptly. Our Minister of Finance then held talks with certain Canadian institutions that had been accumulating funds in your market. And, earlier this week, officials of our Government were in Washington discussing the effects of your programme on financial movements between our two countries.

In this connection, the basic nature of Canada-U.S. economic and financial relationships bears repetition and re-emphasis. It is sometimes suggested that, because Canadian borrowings in New York are often large, Canada must, therefore, be a source of financial weakness to your country. This is, in fact, very far from the truth.

The underlying strength of your dollar - and this is true of any currency - comes from your sales abroad of your goods and services. There is no country in which you make larger sales than in Canada. Indeed, in each of the past ten years your sales of goods and services to us have exceeded your purchases from us by more than a billion Canadian dollars. Canadians run an enormous annual current-account deficit with you.

And how do we finance this deficit? In part, by raising capital in your financial markets. But our net borrowings in this country have never, in recent years, been enough to pay our outstanding bills here. So we pay the rest from the net proceeds of our earnings and borrowings in markets overseas.

Thus, while we may borrow large amounts from you, we are, nevertheless, at the same time, constant purchasers of U.S. dollars with the money that we obtain from our overseas transactions. Year in and year out, I doubt if there is any country that gives your balance of payments greater support than Canada.

If, notwithstanding this, we are starved of the capital that we normally raise in your markets, we shall find ourselves short of the funds we need to maintain our purchases in your country. This would offer no solution to your problem and would hurt us. Accordingly, I am confident that, in working out the President's new programme, there will be sufficient flexibility to ensure that an adequate flow of capital into Canada will be maintained, and that our growth and strength will continue to increase to our mutual advantage.

There are some timid souls who wonder whether we shall be able to maintain this growth as a separate and independent country in the face of American pressures. Any such fear in Canada does not arise out of hostility to Americans. Not at all. On the contrary, and paradoxically, a source of the fear is friendship, the fact that we are so close to each other, so much alike in so many ways. We come so naturally together that we Canadians have to keep reminding ourselves that we are separate. We are perpetually under the overwhelming influence of the American way of life. We just don't dislike you enough to insist on the satisfactions that are said to come from being proud, poor and independent. Too many of us would sooner watch the Beverley Hillbillies than the Plouffe Family; we pass up an honest-to-goodness Canadian magazine to read a Canadian edition of some gigantic U.S. production controlled by a corporation whose income may be greater than that of any one of a dozen member states of the United Nations.

Indeed, in this field, the pressures against our own thoughts, our own ideas, and our own diversions are a greater danger to our national identity, to our cherished separateness, than anything that could arise from financial control and economic imperialism.

Any reasonably good and patriotic government - as all Canadian Governments are - should be able to take care of its economic development to ensure that it is for the welfare and in the interests of its own people. But, in the face of such friendly and strong pressures, to keep Canadian ideas and feelings pure and national - that is something to daunt the most patriotic and persistent government. Let me put it this way - a Canadian Government should always lead the national horse to national waters. But how can you make him drink from them, even if they are fluoridated? Especially when there is a big pool alongside with every kind of enticing, non-fattening, energy- and pleasure-producing ingredient.

But I am an optimist in these matters; Canada will survive and grow.

There have been some pretty scary headlines about our country in the U.S. press lately. They are almost the only kind of news we get here - news being what it is in our competitive free-enterprise system. One source of such Canadian news has been extravagant talk and some extreme action by separatists. These are only a small percentage of French-speaking Canadians. But they are noisy and a few are violent.

Let me assure you that this noise does not mean that Canada is breaking up or that the Federal Government is giving up. We have our problems of federalism, of relations between the two levels of government. So has every federal union - even the U.S.A.. In our case those problems are complicated and made more difficult at times by the nature of our population. Our Confederation recognizes two founding language groups and cultures, British and French. The fact that Quebec has entered a new and dynamic period of change and development has merely emphasized and underlined that French-Canadians are not going to have their culture denatured by a dominant English-speaking Canadian or continental society. Nor should any Canadian or American wish it otherwise. Our problem is to reconcile this dual basis of our Confederation and the regional nature of our federalism with, first, the necessity of a central Government strong enough to discharge its responsibilities under our constitution and, secondly, the necessity of adapting our political thinking to the new Canada, which is a very different country than it was even 50 years ago. Among other things, nearly one-third of our population are now neither of English nor of French origin.

The building of a strong and united Canada, flying proudly its own Maple Leaf Flag but honouring the traditions and loyalties of its past, is not going to be simple or easy. It wasn't easy 100 years ago. It was done then. It will be done now.

The effort we are now making is itself bound to create some tensions. Facing up to problems always does. Indeed, ignoring them has its attractions for one who wishes to lead a comfortable life - for a time. But avoidance of the issue would merely ensure an ultimate explosion. We can and shall prevent this explosion by working out solutions to our problems. Canada is not rocking. She is rolling ahead. In doing so, we shall become a stronger, not a weaker Confederation - an even more powerful and flourishing state.

When the "going gets rough" at home (as it is bound to at times), we can always forget our own problems, our own differences, by uniting in criticising some foolishness in American policy or some American move that seems to ignore our national identity or affront our national pride. In this way, you are often very helpful in cementing the cracks in our unity. You should be happy to do this service for us. You have much to gain by that strength and unity. There are deep roots to our friendship and our good neighbourhood, and this makes for co-operation and mutual support. When the chips are down and there is a real threat to the basic values and principles that we cherish, we have stood and will stand together.

I think tonight of this need for co-operation and support in the light of the situation in Vietnam.

We need cool heads to assess the meaning of the struggle in South-east Asia. We need hard reason to guide our reactions and decisions. We should not permit either anger or anxiety to sway our judgment.

The first principle is surely that mankind can no longer afford war in the atomic age. This statement might seem a truism were it not for the fact that some Communist governments make an explicit reservation - that so-called "wars of national liberation" are exceptions and must be tolerated

by human society as a permissible form of state action.

We have to scotch this dangerous illusion. Assistance given across frontiers in support of local revolts is as great a violation of the basic rights of nations and the basic concepts of international law as invasion by any other means. Every form of outside interference by force is aggression. Unchecked, it will lead by escalation to general war. Today, we cannot afford any "permissible" kinds of international violence. All must be outlawed.

As I see it, the struggle in Southeast Asia today is basically an attempt to establish the principle that armed assistance from outside to "wars of national liberation" constitutes aggression and must be checked.

How to do this is the concern of the whole international community. It follows, therefore, that the whole community has a responsibility to see that such situations are brought under control. If a single power has to undertake this task, there arises the danger of widening the struggle into general war. So the nations of the world must be ready to produce an alternative.

Such an alternative could lie in the international community itself taking over the responsibility of sealing off frontiers against guerilla infiltration and massively and effectively - and I mean effectively - policing and enforcing international agreements that aim to check and control local hostilities. If the Geneva agreements of 1954 had provided for supervision and policing and enforcement in this way, infiltration of Laos and South Vietnam from outside could have been checked in time.

Today, therefore, the aim of the international community must be to secure conditions in Southeast Asia in which, under international control and international supervision and effective international policing, the states in that area can work out their own affairs and conduct their own policies without interference from any neighbour or any outside power.

If, out of the present awful risk of escalation, we can move to such an international settlement, then the United States can be spared the onerous and ungrateful task of acting alone against aggression, and the world will have taken one more step towards the effective and impartial organization of international peace.

If diplomatic negotiations could be held on the basis I have just outlined, then the resumption of the Geneva Conference of 1954 would be well worth while.

We must seize this opportunity, from the danger we face, before it is too late.

Mr. Chairman, speaking to this Society on March 7, 1952, as Secretary of State for External Affairs of my country, and when the Korean situation seemed dark and dangerous, I said this:

"It would be a great tragedy if our policies should diverge on these Asian questions. It is as important to work together in the Pacific

as in the Atlantic. With understanding of each other's problems and by complete and frank exchanges of views and information, this can be done. But let us not deceive ourselves. The problems of Asia will subject our coalition of peace-loving free states to difficult tests in the days ahead. In meeting these tests, Canadian-American co-operation will be important and must be close and strong."

Those words apply today in a very special way.

United States-Canadian co-operation will be important and must be close and strong.

S/C

DEC 1 1966



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/7

CANADA AND THE ATLANTIC COMMUNITY

An Address by the Honourable Paul Martin,
Secretary of State for External Affairs, to the
Cleveland Council on World Affairs, Cleveland,
Ohio, U.S.A., on March 4, 1965.

It is now some 16 years since the Atlantic Alliance came into being. It was formed in response to a specific challenge. The nature of that challenge may have altered. Its impact has certainly been blunted. But I do not think there is anyone who would argue that the challenge as such has disappeared. I take it, therefore, as the starting point of my remarks this evening, that the unity and integrity of the Alliance is something in which all of us continue to have a vital stake.

This is not a plea for immobility. Over the past decade and a half, there have been significant changes in the world environment in which the Alliance is operating. There have also been significant changes in the balance of strength within the Alliance itself. It is only natural that, if the Alliance is to continue as a dynamic partnership, the implications of some of these changes should find reflection in its arrangements. It is within those parameters that I see the current debate on the future of the Alliance.

The Canadian attitude to the Alliance has been shaped, as might be expected, by elements in our history and our experience as a nation. Twice in the past half century, Canadians have fought on European soil in the defence of our common freedom. I think it is fair to say that out of that experience Canada's international personality was born and our recognition that we had a continuing part to play in the world beyond our borders. We participated with the United States in the reconstruction of war-torn Europe. And when that continent was once again being threatened -- this time by Communist power -- we were among the founder members of the North Atlantic Treaty Organization.

The Atlantic world provides a natural frame of reference for Canada. While much of Canada's national life is influenced by contact and interchange with our powerful neighbour to the south, historic ties take us back across the Atlantic to Britain and France, our two founding nations. In this our historical evolution has been somewhat different from yours. For we have never wished to turn our backs on Europe and the realities of Canadian life have continued to this day to reflect our dual national heritage.

These are some of the reasons why Canada has always tended to look upon the Atlantic as a bridge and not as a line of division. That perspective is appropriate not only to our historical personality as I have tried to suggest. It also enables us to play our part as a responsible middle power with a greater measure of independence than we could reasonably expect to have in a purely continental context.

These may be regarded as peculiarly Canadian reasons for supporting the conception of a transatlantic community. But this is not to say that the conception has any less validity for our Atlantic partners. As regards our collective defence, it is surely self-evident, in this nuclear missile age of ours, that the continental approach provides neither a complete nor an effective answer. And, when we go on to consider that the challenge confronting us is not simply or solely military in nature, then I cannot see that it is sufficient for us to pool our military strength to meet that challenge. That is one reason why Canada has always attached great importance to the non-military aspects of co-operation within the Alliance and why we have looked upon the Atlantic Alliance as an instrument for bringing the Atlantic nations together in a community united as closely as possible in policy and in purpose.

As the Canadian Prime Minister put it when he opened the ministerial meeting of the NATO Council in Ottawa in May 1963:

"The Atlantic nations must come together in one Atlantic Community. The West cannot afford two such communities, a European one and a North American one, each controlling its own policies and each perhaps moving away from the other as the common menace recedes."

We welcome the resurgence of strength and self-confidence in Europe. That strength and self-confidence have added to the resilience of the Alliance and to our ability, as members of the Atlantic community, to play a constructive part in the world at large -- particularly in our relations with the developing world. By the same token, we should regret any reversion to a more restrictively national or continental approach to the tasks we share in common. That would not be in the Canadian interest and we do not think it would be in the wider interest of the Alliance as a whole.

I should like next to say something about the Canadian position on the various issues that face us in the realm of defence. Canadian policy, as it has evolved since the formation of the Alliance, has been based on three related elements:

- first, a contribution of ground, air and naval forces to Western Europe and the North Atlantic;
- second, a contribution to North American air defence through NORAD; and
- third, a contribution to international peace keeping through the United Nations.

Within this general framework, we have had to take cognizance of the high cost of maintaining a meaningful Canadian contribution in these areas in circumstances where the pace of technological development carries with it increasing hazards of obsolescence. We have, therefore, embarked on a programme which is designed to improve the flexibility and mobility of our forces and to lead to the progressive integration of the three armed services. The substance of that programme was set out in our Defence White Paper of 1964. Its object is to ensure the most effective use of our military resources in relation to the three basic elements which I have just mentioned.

As far as the future is concerned, there are a number of uncertainties looming on the horizon which we shall need to take into account and which will have a bearing on the balance we strike, at any given stage, in meeting our responsibilities in the North Atlantic area, in North American continental defence and in peace keeping under the United Nations.

In Europe, there has been a welcome improvement in the capacity of the Western European members of the Alliance to assume a greater share of the responsibility for the common defence effort. The Alliance is also engaged in a comprehensive defence review. While that review is still in progress, the results could have a bearing on the nature of the role of Canadian forces in the Western European theatre over the longer term. I want to make it quite clear, however, because there has been misinterpretation of the Canadian position in some quarters recently, that, in the absence of durable political settlements, we regard the continued participation of North American land and air power in the defence of Western Europe as both vital and inescapable. That is the position of the Canadian Government, although we cannot, of course, afford to shut our eyes to the implications of other points of view that are being put forward.

In North America Canadian defence, co-operation with the United States goes back nearly a quarter of a century, to the historic Ogdensburg Declaration of 1941. This co-operation was further consolidated in 1958 with the establishment of the North America Air Defence Command. Like yourselves, we are constantly reviewing how we can most effectively contribute to continental defence arrangements, given the declining threat of the manned bomber and the uncertainties surrounding anti-missile defence.

As regards peace keeping, Canada has been a major supporter of that conception as it has evolved in the United Nations over the past two decades. We look upon the evolution of that conception as reflecting the will and determination of the world community to work towards a peaceful and securely ordered world. We think it is both right and useful for the United Nations to be able, with the consent and at the invitation of its member states, to interpose its presence in situations of conflict or potential conflict - to hold the ring, as it were, until longer-term solutions can be worked out at the political level.

Canada has participated in every peace-keeping operation undertaken by the United Nations since 1948. We have set aside standby forces within our military establishment, to be at the disposal of the United Nations at

its request in situations of emergency. We took the initiative last autumn in convening a conference in Ottawa to enable countries with experience in United Nations peace-keeping operations to compare notes, to identify the technical problems that have been encountered, to pool their experience in meeting those problems and to see how, individually, we might improve our response to the United Nations in future situations requiring the services of an international force.

We are confronted at the moment with a situation in which the whole future peace-keeping capacity of the United Nations is at issue. We are giving that problem a very high priority and we shall do what we can to see that it is resolved without detriment to the part the United Nations has played and must continue to play in the maintenance of world peace and security.

I turn next to the nuclear arrangements within the Alliance. The basic problem which is facing us here, as I see it, is how to adjust those arrangements to the changed conditions of today. Put in practical terms, the problem is how we can achieve a greater sharing in the military direction (which is to say, in the nuclear strategy) of the Alliance without further proliferation of control over the use of nuclear weapons.

One way of tackling this problem has been the suggested creation of a Multilateral Nuclear Force. While we appreciate the reasons for the MLF proposals, we decided, in the light of our other commitments, not to take part in the discussions on this force. More recently, the British Government has put forward proposals for a somewhat more broadly-based Atlantic Nuclear Force comprising nuclear forces already in being as well as those still in the planning stage. Proposals which have as their basis an inherent Atlantic conception and which relate to forces in being, thereby possibly affecting Canadian forces on both sides of the Atlantic, are naturally of more direct interest to us. We believe that discussions on any new nuclear arrangements should be held in the NATO forum on as broad a basis as possible. We also welcome the indication by the United States of its willingness to consider proposals that meet the legitimate needs of other NATO countries. We, for our part, have suggested that one approach could be to take a fresh look at existing NATO machinery and existing nuclear arrangements, such as those agreed to at the NATO meeting in Ottawa in May of 1963, to identify those areas where progress may be possible towards achieving a broader basis of participation in strategic planning and the nuclear decisions of the Alliance.

Perhaps I can best summarize the Canadian position in this matter as follows:

First, we acknowledge the claims of the European members of NATO to a greater and more equitable degree of participation in the nuclear arrangements of the Alliance.

Second, we regard it as axiomatic that any new arrangements arrived at should add to the strength of the Alliance and not contribute to division within it. In particular, of course, we should be deeply disturbed by any situation in which there was an irretrievable cleavage between France and her NATO partners, given the very important character of France's contribution to the Alliance.

Third, we think that, if such arrangements are not to prove divisive, they must be open to all members of the Alliance.

Fourth, no final decisions should be taken on these important issues until there has been full consultation in the NATO forum where all points of view can be heard.

I should now like to return to my point of departure, which was that, as long as the threat of aggression in a divided Europe continued, the need for an Alliance such as ours was as compelling as ever. But I also said that this was not a plea for immobility. I believe that the time has come for us to take a fresh look at our partnership and to see whether it reflects the many and fundamental changes that have occurred within the Alliance and in the world around us.

The world of 1965 is not the world of 1949. There has been the resurgence of political and economic strength in the countries of Western Europe. There have been the beginnings of a broader unity of purpose and endeavour among some of these countries. In the Soviet world, too, there have been changes. It is no longer anything like the monolithic entity it was at one time. There has been an element of reassertion of national identity and national interest in the countries of Eastern Europe. There has also been the growing rift between the Soviet Union and China. The Soviet Union itself is facing many of the problems and responsibilities that go with great-power status and great-power commitments in a changing world. And beyond Europe there is a whole new constellation of nations which have emerged to independence, nations with staggering problems of poverty and under-development, nations with very different priorities and preoccupations from our own, but nations, in the final analysis, to whose stability and success in solving their problems the continued maintenance of world peace and security will not be unrelated.

I am encouraged by the fact that the Alliance is facing up to the need to take a fresh look at itself. That process was formally launched last December, when NATO ministers directed the Permanent Council to study the state of the Alliance and the purposes and objectives commonly accepted by all members. I do not wish to prejudge the results of this important exercise. I should like, however, to put two specifically Canadian glosses on it, one regarding the means and the other regarding the ends of the exercise.

Canadians are pragmatists. We are by nature inclined to build upon what has been found useful in the past. This does not mean that we are not ready to consider new departures. But we should want to be reasonably sure, before we strike out in new directions, that this is the best way to proceed towards the objectives we share in common.

As to the future shape of the Atlantic Community, I have tried to suggest that the challenge that is facing us today is a good deal more subtle and sophisticated than the challenge which faced us when our Alliance was formed 16 years ago. This has an obvious bearing on our response. We must not forget that we have at our command immense resources and immense strength.

We also must not forget that, if we are to make the impact which we have it within our power to make, those resources and that strength must be directed to furthering the cause of peace and freedom and well-being in the world. Within those broader objectives, there is surely adequate room for each and every one of us to make our individual and distinctive contribution. But it is important that our purposes and our policies should be in harmony and that we should each be prepared to subordinate some part of our national interest to the general interest of the Alliance as a whole. That, in the Canadian view at least, is the essence of the conception of an Atlantic Community.

S/C



CANADA

Gov. Doc
CAN
CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/8 Statement by the Secretary of State for External Affairs, the Honourable Paul Martin, on Tabling in the House of Commons on March 8, 1965, the Special Message of February 13, 1965, of the International Commission for Supervision and Control in Vietnam.

...I should like to table the text of the special message of February 13 from the International Commission for Supervision and Control in Vietnam reporting on the recent air strikes against North Vietnam and on the directly related problem of North Vietnam's long-standing and continuing aggressive interference in South Vietnam, which gave rise to the air strikes in question. This report was released this morning in London by one of the co-chairmen of the Geneva accord powers, the Secretary of State for Foreign Affairs in the United Kingdom.

This message comprises a majority report by India and Poland, which deals only with the air strikes in early February, a minority statement by Canada, which outlines some essential background to these air strikes, and, finally, separate Indian and Polish statements commenting on the position taken by Canada.

While not denying the facts on which the majority report is based, the Canadian Government believes it presents an oversimplified and misleading impression of the root causes of the dangerous instability in Vietnam. To correct such an impression, the Canadian delegation has appended a statement to the majority report in the hope that the special message as a whole might reflect more accurately the full scope of the problem in Vietnam. As both the Prime Minister and I have made clear on several occasions, the factor which underlies the grave situation in that country is the determined and long-standing attempt of the Hanoi regime to bring South Vietnam under its control through the pursuit of aggressive policies.

This factor has, of course, been evident to the International Commission in Vietnam for some time. The Commission's special report of June 2, 1962, presented a balanced account of the situation by drawing attention to northern violations of the Geneva agreement and also the military assistance the United States was giving South Vietnam at the latter's request to combat Northern interference....

That report's conclusion that North Vietnam had violated the Geneva agreement by aggressive policies toward South Vietnam was based on the work of the Commission's legal committee, which had examined a vast amount of material

relating to allegations of armed and unarmed intervention in South Vietnam over a number of years. In the special report, the Commission undertook to take action on the basis of a fuller report to be prepared by its legal committee. Faced since then with the unwillingness of our Commission colleagues to act on these promises, we have decided that it was necessary to go ahead on our own to fulfil these obligations.

The most significant conclusions of this legal study have, therefore, been quoted in Paragraph 3 of the Canadian statement of February 13. These indicate quite clearly that the so-called South Vietnam Liberation Front, of which the Viet Cong are, in effect, the armed forces, is a creature of the ruling party of North Vietnam, that it is their common aim to bring about the violent overthrow of the South Vietnamese administration, and that the ruling party in North Vietnam has assisted its agents in South Vietnam in attempting to attain this objective. I think I hardly need underline what these conclusions mean for the theory one often hears developed that the war in South Vietnam is essentially an internal revolt.

Both the Indian and Polish representatives on the Commission have questioned the status of the extracts of the legal committee's report quoted in the Canadian statement. I cannot agree that a document which has been carefully prepared by a properly constituted committee of the Commission, acting on a majority basis, in pursuance of Commission instructions and on the basis of material referred to it by the Commission, has no status.

The Polish representative has also questioned our right to quote from and append some recent South Vietnamese allegations, which were directed in the normal manner to the Commission for consideration. The allegations concerned do not, of course, pretend to be Commission conclusions. According to these complaints, however, large quantities of arms, munitions and supplies of Communist origin, and large numbers of military personnel, have been steadily infiltrated into South Vietnam from the north by land and sea, and secret bases and related installations have been established by the Viet Cong with the support of North Vietnam. To omit reference to them in current Commission reports would imply that the Commission had not been apprised of them or that it was totally ignoring the major complaints of one of the two parties to the Geneva agreement. The Commission's silence since 1962 on the problem of subversion does not mean there has been any change for the better. On the contrary, judging by the evidence presented to the Commission (and there is a large quantity of material of more recent origin now being reviewed by the Commission's legal experts), it seems obvious that the hostile activities of the Hanoi regime have been steadily increasing.

Our independent observer position in Vietnam has brought us face to face with an insidious form of aggression, with which the free world has yet to devise adequate means of dealing. We have seen a new political entity emerge from colonial status only to be forced into a cruel struggle for survival against hostile pressures beyond its control. In whatever form aggression manifests itself, it must be recognized as such and it must be stopped, not least because we cannot afford to let the practitioners of this technique come to the conclusion that it pays dividends.

This is surely the basic issue at stake in Vietnam today, and it is of vital interest to all members of the international community. This is what we, by virtue of our membership on the International Commission, have established as the lesson of the past ten years. I think it is important for all of us to have this fact clear in our minds before we go on to the next and most vital task, which is to attempt to restore peace to that troubled area. And here I must stress that I do not believe that the answer which all concerned would accept lies either in escalation and all-out war or, on the other hand, surrender to Communist pressures.

We are all deeply concerned with the implications for world peace, no less than for the future of the Vietnamese people, of the continuation of the present situation. It contains the seeds of escalation and the dangers -- all too evident to us today -- of an open conflict of stark and terrifying proportions. As I have indicated on many occasions, we seek a peaceful and equitable solution, and our efforts are certainly being directed to that end. This is our immediate objective, to avoid the inevitable consequences of escalation. Clearly and firmly, but without panic or alarm, we must make our concern known to all -- I repeat all -- the direct participants in this conflict, always remembering that conditions on the ground, the actual deployment of power, will have an important influence on the willingness of the parties concerned to modify their policies. Only if all concerned are prepared to face up to their responsibilities and obligations, and only if all concerned are prepared to exercise the restraint for which we and other nations have appealed, can we take the next step toward the peaceful settlement which is our ultimate objective.

Finally, a satisfactory solution would be one which adequately protects and guarantees the independence of people who wish to remain independent. The 1954 Geneva agreements were designed to end war but failed to create a durable settlement and lasting peace. Canada has become acutely aware of the painful shortcomings of the 1954 settlement through more than ten years of experience in Indochina, where we have been forced to observe the slow erosion of the terms of a cease-fire agreement.

Perhaps a new and better arrangement could be achieved by some form of guaranteed neutrality, or through a stronger supervisory and policing mechanism, capable of preventing aggressive interference from outside. As the Prime Minister has pointed out, this is surely an international responsibility. To discharge it, the lessons of the past indicate that there will be required an international presence involving more authority and more freedom of action than have obtained in the past, and this must be balanced by a mutual acceptance of this machinery and a readiness to co-operate in using it. It is clear that to be charged with supervision yet to be powerless to check the slow erosion of a settlement is not enough.

It is not easy, under present circumstances, to define the framework within which new and stronger mechanisms could be brought into being. While the United Nations might be considered as providing an obvious basis on which a new approach might be built up, attitudes thus far have tended to lessen the acceptability of this framework and the chances of its being successfully used. It cannot, however, be entirely excluded as one possibility. Another might well be the sort of grouping of more directly involved nations which were represented at Geneva in 1954 and 1962. At this juncture I do not believe

it is as important to determine the eventual framework within which a settlement might be arranged as it is to try to ascertain whether there is any willingness and real basis for new negotiations.

The Canadian Government, for one, intends to continue using all means at its disposal to see if the prerequisites for negotiation exist and, where possible, to help create those conditions. If negotiations can be arranged (let me repeat, it is our hope that conditions conducive to such negotiations will be encouraged by all possible means), our extended experience in the field in Indochina will help us to be of assistance in making concrete and practical proposals as to how the Geneva or any alternative machinery could be developed to achieve a lasting and peaceful settlement.

I may say in conclusion...that I have noted the comments made in the majority report by the representatives from India and Poland.

s/c



CANADA

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/9

CANADA AND VIETNAM

Address by the Honourable Paul Martin,
Secretary of State for External Affairs,
to the Editors of the Foreign Language
Press, Toronto, March 26, 1965.

I welcome the opportunity of speaking to you this evening. I say this because I am aware of the very important part you are playing in the public life of our country. The press has, of course, a vital responsibility to discharge in any free society. And that is to focus public attention on the issues of the day and to generate informed public discussion of those issues. But it seems to me that, as editors of the foreign-language press, you have an area of responsibility which extends beyond that. For you are serving a readership which is concerned, at one and the same time, to preserve its distinctive cultural heritage and to give expression to its identity as part of the broader Canadian scene. In a country which has built and which is building its national life on the conception of unity in diversity, there is an obvious need to meet this dual concern. I know that you are aware of that need and are meeting it conscientiously and with the full measure of your responsibility in mind.

We are engaged in Canada at the present time in a reassessment of the realities of our national life and a determination of how we can best build for the future. In this process we are pledged to take account of the contribution made by the various ethnic groups which you represent and to give thought to the measures that should be taken to safeguard that contribution. We owe what we are as a country to the hard work, and co-operation and the vision of Canadians of many different origins. All our citizens have an equal stake in the country they have helped to build, and all have an equal claim to share in Canada's future opportunities.

I want to speak to you tonight about the situation in Vietnam, which, I need hardly say, has been in the forefront of our preoccupation in recent weeks.

Canada has watched this situation evolve over the past ten years. As members of the International Commission in that country, we have been charged -- along with India and Poland -- with the supervision of the arrangements that were concluded at

the Geneva Conference in 1954 and, it was hoped, would bring peace not only to Vietnam but to the Indochinese area as a whole. These arrangements have always been fragile as far as they related to Vietnam; they are now very near the point of collapse.

There has, of course, been criticism of the Commission for having stood by while this dangerous situation we are facing in Vietnam today was taking shape. I must say quite frankly that this criticism seems to me misdirected. It leaves out of account the very limited mandate within which the Commission has had to operate. It was set up to supervise, not to enforce, the terms of the Geneva arrangements. This was done on the assumption that the parties to these arrangements were prepared to abide by their undertakings. Where those undertakings were being breached, as turned out to be the case, all the Commission could do was to make known the facts and their long-range implications.

I should be the first to concede that the Commission has not always done that as effectively as we should have wished. I have myself had occasion, recently, to refer to the frustrations that have attended our participation in the work of the Commission. Still, taking a dispassionate look at the activities of the Commission as a whole, I should say that it has had a restraining influence on the situation, without which the arrangements contemplated at Geneva might well have collapsed even more quickly and more drastically than, in the event, they did. I should also say that the Commission has played -- and is continuing, in this present situation, to play -- an important role in focussing international attention on the course of developments in Vietnam.

Our presence in Vietnam over these past ten years has enabled us, I think, to arrive at a pretty objective analysis of what has been happening in that country. Nevertheless, it is sometimes suggested that we are taking the position we have been taking because, in the final analysis, we are bound to support the views and policies of the United States on a crucial issue of this kind. As far as I can see, that suggestion bears little relation to the facts.

Of course, we can never be wholly unmindful of the very heavy responsibility which rests upon the United States by virtue of its position in the world. But this has never prevented us from formulating our policies in terms of Canadian interests and on the basis of Canadian assessments. Nor has it prevented us from freely expressing our views where these have differed from those of the United States. I need only refer to trade with Communist China or the maintenance of relations with Cuba as important issues of policy where there have been, and continue to be, genuine differences between us.

But let us look more closely at the position we have taken in respect of the situation in Vietnam. I think it is fair to say that we have tried to take a balanced view of that situation. We have tried to draw the attention of all concerned to the dangers inherent in that situation. We have appealed to all concerned to face up to their responsibilities. We have reported and will continue to report breaches of the Geneva Agreement on both sides. And we have never, of course, in any way whatsoever condoned the use of force -- and again we must remember that force is being used in Vietnam on both sides. In sum, we have tried to approach our responsibilities in the Commission with fairness and impartiality. We have not approached those responsibilities any differently from the way in which we have approached our responsibilities in the Middle East, in the Congo, in Cyprus and elsewhere where Canadians have served to keep the peace.

Given the nature of the situation in Vietnam, however, we have thought it right that events, and the sequence of events, in that country should be set in their proper perspective. And it is part of that perspective, I think, that, almost from the beginning, the authorities in North Vietnam have been engaged in inciting, encouraging and supporting hostile activities in South Vietnam. That support has taken the form of armed and unarmed personnel, of arms and munitions, of direction and guidance. And it has been aimed at nothing less than the ultimate overthrow of the South Vietnamese administration. This is neither a fairy-tale nor a piece of fiction, as some would have us believe today. It is a judgment fully supported by evidence, including evidence presented by the Commission. And it must certainly form part of any balanced assessment of the situation in Vietnam.

I am concerned that there should be no misunderstanding of the nature of the conflict that is being conducted in that country today. Above all, let us not be deluded into thinking that what is happening in Vietnam is a basically domestic matter, a matter of spontaneous insurgency, which the Vietnamese should be left to settle in their own way. Of course, there are in Vietnam, as in many other emergent countries, elements of social and economic discontent, of dissatisfaction and disillusionment with the pace at which it has been possible to make progress towards better conditions of life and a reshaping of political institutions. But that is not the root cause of the instability that has taken such a tragic toll in that country.

What we are facing in Vietnam is a process of subversion directed by the authorities of North Vietnam against South Vietnam; and it is aimed, in the final analysis, at establishing in South Vietnam a form and pattern of government which the South Vietnamese rejected decisively ten years ago. It may not be aggression in the classical sense of the term, but it is aggression all the same, aggression carried on under the guise of a "war of national liberation". And, being aggression, it must be identified as such

and brought under control. For, as the Prime Minister put it only recently, in this nuclear world of ours "we cannot afford any permissible kinds of international violence".

A decade and a half or so back, we were facing a somewhat similar situation in Europe. We decided at that time that we could not afford to let the situation set a trend. And we joined together in the North Atlantic Alliance to resist that trend and to arrest it through the combined deterrent power we were able to muster between us. I am convinced that our action in that situation was instrumental in gradually converting the Soviet Union to the advantages of a policy of peaceful co-existence. And, although our interpretation of that term does not quite coincide with that which the Soviet Union would like to give it, I think it is fair to say that, certainly since the confrontation over Cuba in 1962, the Soviet Union has accepted the implications of the nuclear stalemate and the fact that war can no longer be regarded as a tolerable instrument of policy.

But the position of China is different, and it is with Chinese encouragement that the authorities in North Vietnam are conducting their campaign of covert aggression against South Vietnam. And, if that aggression is not brought under control in Vietnam, can we seriously envisage that similar situations will not arise elsewhere in Asia: in Thailand, in Malaysia - perhaps in India? And can we be sure that there are not sources of instability in Africa and in Latin America which will not be susceptible of being exploited in a similar way? And if we cannot be sure of that, are we right to resign ourselves -- as some would have us do -- to letting the surge of events sweep over Vietnam? Or is this doctrine of covert aggression something that concerns the international community as a whole in its efforts to consolidate peace and security in the world and to establish a sound and viable basis for relations among nations?

I have tried to set the situation in Vietnam in this broader context because that is the context in which, I think, recent developments in that country must be seen. Nothing could be more dangerous, in my view, than to oversimplify the problem we are facing. That would be particularly dangerous at a time when all our attention must necessarily be focussed on achieving a solution in Vietnam. Because I very much doubt if we can expect an unrealistic assessment of the situation to yield either practicable or durable solutions.

As far as the Canadian Government is concerned, we are deeply concerned about the implications of the present situation for world peace. We appreciate the very grave risks of a widening of the present conflict, which must be avoided at all costs. We are directing all our efforts to that end. We wish to see peace restored in Vietnam -- and, when I say Vietnam, I mean the whole of Vietnam. I believe that is also the course which the overwhelming majority of Canadians would wish to see followed. But I know you will understand me when I say that the peace that is

established in Vietnam must be a genuine peace. It must not be a fraudulent peace. It must be a peace which will allow the South Vietnamese to live in conditions they have freely chosen for themselves and which will provide them with adequate guarantees against outside pressure or intervention.

I do not think the problem in Vietnam is capable of solution by military means. I regard a negotiated solution of that problem at some stage as both right and inevitable. I should earnestly hope that that stage could be reached sooner rather than later, and we shall certainly continue to do what we can to help bring about the conditions which would allow negotiations to be undertaken with a reasonable prospect of achieving a solution. At the same time, we cannot be indifferent to the risks that would be involved in a situation in which negotiations were being undertaken without the ground having been properly prepared. That is why we think it better that patient progress should be made towards a negotiation now, in the interests of minimizing the risks of failure later.

As a first priority, I should say that there must be a relaxation of tensions in Vietnam. But, if that is to happen, it will require a genuine disposition by all concerned to see this situation settled through the instrument of negotiation. And I am sorry to say that all our soundings have not yet disclosed such a disposition on the part of either North Vietnam or Communist China. Furthermore, within the last week, the Soviet Union has refused categorically to associate itself with any call to a conference to settle this problem on a peaceful basis.

The immediate prospects for a negotiation cannot, therefore, be said to be encouraging. And I do not think it would be profitable, in these circumstances, to try to speculate on the precise elements of such a negotiation. There are three general points, nevertheless, which I believe can usefully be made at this stage:

First, there will have to be a cease-fire of some kind in the area. The North Vietnamese have been calling for the cessation of United States raids on North Vietnamese territory. The United States, for their part, have been insisting on the cessation of infiltration and aggression from North Vietnam. It occurs to me that there may be a possibility of balancing off these positions as part of the process of paving the way for a negotiation.

Second, any negotiation, when it comes about, must be meaningful. In other words, it must be a negotiation, not a capitulation. It must be based on the readiness of all concerned to modify their existing policies, to enter into commitments for the future, and to be prepared to abide by those commitments.

Third, the past history of events in Vietnam and the tragic course these events are taking at the present time make it abundantly clear, I think, that there must be an assumption of responsibility by the international community in relation to any ultimate settlement in that area. What form that responsibility might take, whether it takes the form of guarantees or whether it takes the form of a continuing international presence, are matters to be settled in the course of negotiation. But I doubt if there can be any durable settlement in Vietnam which will not, in one way or another, involve international backing.

The problem of Vietnam has caused deep anxiety in Canada. It is only natural, therefore, that we should ask ourselves what part there may be for Canada to play in reversing the course of events in that area.

Of course, the ordinary diplomatic channels are available to us. We have used these and shall continue to use them vigorously to urge restraint on all concerned, to see if there is any contribution we can make towards preparing the ground for negotiations, and generally to prove any openings there may be for useful initiatives. Canada has no direct interests in Southeast Asia, and I think that may help to enhance the opportunities that are open to us.

Then there is our membership of the International Commission. I still think that the Commission, by its very presence, exercises a certain restraining influence on developments, though I should not want to put it higher than that. It is also just conceivable that, being composed as it is, the Commission could serve as a channel of contact if that were desired at any stage by any of the parties. Meanwhile, the Commission has a continuing responsibility to draw attention to any violations of the Geneva arrangements. It must carry out that responsibility objectively and impartially. And it must be concerned at all times to assess events in the balance of the total situation in Vietnam. This we have endeavoured to do and this is the direction in which we shall continue to apply our efforts so long as we think there is a useful part for us to play.

In the final analysis, of course, there may be limits to the influence we can bring to bear on an issue of this kind. These limits are inherent in the status of any middle power in the world today. But they do not in any way diminish our responsibility in a situation which is so pregnant with danger as the situation facing us in Vietnam and is threatening to set back much of the progress we have made over the past two decades towards arriving at acceptable norms of international conduct and co-operation. It is a source of regret to us that, for the time being at least, there is no clear prospect of the United Nations being able to play the part we should expect it to play in this situation. For it is a situation in which the interests of the international community are, and will continue to be, deeply engaged.



CANADA

Gov. Doc

Can

E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

CA 1 E 7 5
- 581

STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/10

OUR RELATIONS WITH FRANCE
ONE OF THE PILLARS OF OUR FOREIGN POLICY

An Address by Mr. Jean-Luc Pépin, Parliamentary Secretary to the Minister of Trade and Commerce, to the French Chamber of Commerce in Canada at Montreal, on March 26, 1965.

...For many years, Canadian politicians have been telling us that our foreign policies rest upon three pillars: our activities in world and regional organizations, our membership in the Commonwealth, and our neighbourly relations with the United States. It seems to me that a fourth pillar is now being raised, our close and effective co-operation with France, a co-operation entirely natural since it stems from the cultural and political similarities between our two countries, and from our mutual and self-evident economic interests.

Why have we waited so long to till and nurture so rich a field? Some may say that we were afraid to slight other countries. (The leaders of these countries were probably the first to be surprised at our bashfulness.) What about domestic differences among Canadians? Let us not be too quick to blame our English-speaking countrymen. We all know that in France as well as in French Canada stupid prejudices have hampered any true rapprochement. We French-Canadians have had a frightful inferiority complex in relation to our cousins abroad -- they overwhelmed us with the full weight of their accent and with their knowledge of grammar. The average Frenchman thought that we were irrevocably lost in the British-American plot, and found relief and gratification in an "Isle-of-Orleans" image, printed at Epinal, of which we ourselves were often the most active promoters.

But let us look rather at the present and future of Franco-Canadian political, cultural and trade relations.

What do we see?

Favourable Circumstances

First, we see that the situation is extremely favourable to a rapprochement.

On the one hand, we have France, an ancient land which is modernizing, diversifying, automating and planning its economy by capitalizing, with great energy and originality, upon its scientific and technical resources which some thought to be exhausted; an old land whose philosophical, religious and artistic

thought has always enchanted the young; an old country at the very centre of the most extraordinary political experiment of our times, the integration of Europe. This is a country surely to deserve our attention as Canadians.

On the other hand we have Canada, a young national hastening towards maturity, becoming aware of the importance of education and culture in the development of its natural resources, trying to increase and diversify its industrial production, increasing its investments in social welfare, gradually winning new trade outlets, attempting to free itself from the amiable financial and technological embrace of the United States, examining its own political being. Would it not be possible for this country, thirty percent French-speaking, to attract the attention of France?

Between the old nation now rejuvenated and the young nation approaching maturity, an encounter was perhaps inevitable; and there were many to welcome it, and to make it productive.

Recent Encounters

When we read the list of recent developments in Franco-Canadian relations, we are struck by the frequency and importance of our contacts. Let us recall only a few of them:

the visit by a Committee of the French National Assembly, in February 1963, at almost the same time as the important Baumgartner economic mission;

an exhibition of French technology in Montreal in November 1963, which introduced Canadians to the new industrialized France;

since then, a frequent participation by Canadians in specialized French exhibitions, and numerous federal and Quebec trade missions;

a visit by Mr. Hays to the French Minister of Agriculture in September 1964;

a visit by Mr. Sharp to the French Ministers of Finance and Agriculture in December 1964.

On political and cultural affairs:

a meeting between President De Gaulle and Prime Minister Pearson in January 1964, where the principle of periodic meetings between ministers of external affairs was accepted, and put into practice in May and December 1964;

the opening of consulates general in Bordeaux -- already in business -- and in Marseilles, on May 5;

a visit by the Committee for Cultural, Family and Social Affairs of the French National Assembly in July 1964;

a visit by Mr. Basdevant, Director-General of Cultural and Technical Affairs at the Quai d'Orsay, in November 1964;

Mr. Hellyer's visit to Paris in February 1965;

in the communiqué issued after the last meeting between Messrs. Couve de Murville and Martin, there was mentioned "the advisability of sending a Canadian economic mission to France and the possibility of a meeting of the Franco-Canadian Joint Committee".

I do not forget the tremendous amount of work done by the Quebec authorities -- the opening of Quebec House in Paris in September 1961, the many voyages of Messrs. Gérin-Lajoie, Filion, René Lévesque and Gérard Lévesque, culminating in the visit of Mr. Lesage in 1964.

THE RESULTS

Cultural Agreements

Is all this activity without purpose? Certainly not. We have already achieved demonstrable results. To begin with the cultural side -- first of all between Paris and Quebec, since it seems normal to me that there should be a particularly close association between Paris and Quebec in cultural affairs.

Quebec is 80 percent French-speaking, and autonomous in educational matters. What could be more natural than a cultural understanding between Quebec and Paris?

And, while we are on the subject, Quebec as well as Ottawa possesses authority in matters of trade and industrial promotion. What then could be more natural than a "Maison du Québec" in Paris? What could be more natural for this establishment than a legal status resembling that of the Provincial Houses in London?

Ottawa has permitted and has encouraged these relations. I am not saying that all this was done with the smile that marks my speeches. Each of us is a conservative at heart! To be a liberal requires an intellectual effort!

Faced with the results so far achieved, some are shouting "victory" as though a Bastille had just been toppled. Others are crying "defeat", as though the Austro-Hungarian Empire had just been restored. For my part, I call this merely progress, political wisdom, federal-provincial co-operation. (You have been wondering from the start how I was going to introduce the idea of co-operative federalism; well, I've just done it!) Our constitutional writs are not codes of slavery. Unfortunately, too many of those who wish to break loose from the ancient codes have only one desire -- that is, to write new codes just as arbitrary, with one difference -- that they express their own particular viewpoint. To achieve balance has always been a most difficult political exercise, and one which most rarely is successful.

Thanks to a compromise, Messrs Gérin-Lajoie and Morin were able to sign with the French authorities the understanding of February 27, 1965, ratified by an exchange of letters between Ottawa and Paris. This understanding provides for exchanges of research specialists, of university professors and normal school teachers, of students, and of specialists in physical education and adult education. This understanding should help in no small way to broaden the scope of the professions and trades in Quebec, thus contributing to Canada's industrial and cultural progress.

We should also notice:

a special programme of the Quebec Ministry of Education in 1964, involving an expenditure of about \$500,000 to facilitate training periods in French industry for Quebec engineers and technicians (about 100 young people, I am told, have already been placed);

an exchange of civil servants (January 1964) between Quebec-Ottawa and Paris (ten Canadians are now attending the National School of Administration, and French civil servants will soon make a tour of Canada).

Do these arrangements between Quebec and Paris imply that Ottawa is prepared to give up the idea of relations with France in these fields? Some would wish it so; they claim that it is impossible for French-speaking and English-speaking people to get along in Canada, while upbraiding the federal authority for not making bilingualism effective to a greater extent. Consciously or not, they would like to compel the French Government to arbitrate our constitutional conflicts. It would appear that the French authorities have sensed the danger of this situation, judging by the number and the importance of the conventions between Paris and Ottawa:

an agreement between French Radio-Television and the French section of the CBC (June 1963) for the exchange of programmes and for joint production;

an agreement on motion-picture production (October 1963), calling for the free exchange of films and joint production;

a programme of exchange (1964) with France, Belgium and Switzerland, involving a Canadian expenditure of \$250,000 a year (three studios have already been reserved in the Cité universitaire des arts in Paris, a Canadian troupe took part in the University Drama Festival in Nancy, 30 scholarships have been granted to European students);

efforts of the National Research Council to call attention of French research students to its post-graduate fellowships of \$6,000 (14 applications have been received this year, compared with two or three in previous years; and three have been accepted);

a programme of external aid to French-speaking Africa, increased from \$300,000 a year between 1961 and 1963 to \$3.5 million in 1964 (a large share of this aid is marked for academic and technical training; more than 60 Canadian teachers are now in French-speaking Africa, 100 more will leave next September, and ten technical advisers are already at work).

I do not have time enough to deal with projects for the future.

Immigration

We know that, traditionally, Frenchmen are reluctant to emigrate to Canada. Only 31,626 have come here since 1955. The Department of Immigration is now making considerable efforts to attract them in greater numbers. I have no doubt that the new Directorate of Immigration of Quebec is now also engaged in this project.

Travel

Canadians in turn have no desire to emigrate to France, although they make frequent trips there. They have so many good reasons for doing so! Just imagine: in 1962, 82,000 of us and, in 1964, about 100,000 could not resist the temptation. (This number will certainly increase, if only because of the cultural arrangements which I have already mentioned.) According to the Dominion Bureau of Statistics, Canadian tourists spent outside Canada, excluding the United States, \$230 million in 1962 and, it is estimated, nearly \$300 million in 1964, 90 percent of it in Europe, and a third of it in France. (French statistics report only 6.8 million Canadian dollars for 1962; but, as is well known, statistics in this area are difficult to establish; Canadians often, too often, travel with American currency.)

Now, we must persuade Frenchmen to come and visit us. In 1964, 6,430 did so, and about the same number came to us by way of the United States. We do not know how many francs they left with us. I imagine that Mr. Cournoyer's tourist services are already at work promoting the "Tour du Québec" in France. The Federal Government Travel Bureau has been represented in Paris since early 1964 by Miss Annette Fortier. She organizes Canadian evenings in Paris and tours in the provinces; she gives advice to travelling groups, and last year she even accompanied to Canada the 110 members of the Economic Missions Abroad. If we can capitalize on the traditional popularity of Canada in France and the tremendous tourist attraction of Expo '67, it should be possible to increase considerably the number of visitors from France.

Investments

If the French travel very little to Canada, what about their capital?

From recent developments it would seem that French capitalists are discovering the tremendous potential of Canada, and of Quebec in particular. The publication "External Affairs Monthly Bulletin" was able to suggest, in its last November issue, even that investments "could very well become the only means to increase trade considerably between our two countries". If you replace

the words "only means" by "another important means", you will understand exactly what I have in mind. The exchange of capital, as well as of industrialists, traders, engineers, technicians, soldiers, and even intellectuals, should bring with it sooner or later an increase in trade and commerce. It is obvious that, if French capital takes part in establishing an industrial enterprise, the owner will see to it that French equipment is used and that the new firm has access to French markets. And, if Canadian engineers learn to know and respect French technical skills, it is probable that they will make use of these increasingly.

Unfortunately, I have no data valid for the total of French investments in Canada. Pierre-Yves Pépin has made a brief analysis for the period 1950-60 in an excellent series of articles published by "L'Actualité économique" (1963, 1964) concerning what every young man should know about relations between France and Canada. He speaks of the Crédit foncier franco-canadien, the Canadian Liquid Air Co., Labarge Cement of North America Ltd., Poulenc Ltd., the European and Industrial Union, which acquired an interest in the West Canadian Collieries and West Canadian Oil and Gas Limited, the Société nationale des pétroles d'Aquitaine, which set up the Aquitaine company of Canada, and so on.

Since the splendid lecture given here by Mr. Gérard Filion on November 23, 1964, you are better aware of recent developments in this field; and you know that, owing not only to the activity of the Quebec Government and of Quebec House in Paris but also to the co-operation of the French and Canadian Governments, French investments in Canada are increasing, especially in Quebec: participation by the Banques de Paris et des Pays-Bas in the capital of the Société générale de financement; participation by the Compagnie générale de France in the setting-up of Cegelec, which makes high-voltage circuit-breakers, while the ALSTHOM company (Alsatian Society of Mechanical Construction and Thomson-Houston Group) is making generators for Hydro-Québec; an agreement between the SCF and Peugeot-Renault for the establishment of an assembly plant; French participation in St. Lawrence Fertilizers of Valleyfield and in the construction of the Montreal Metro; possible French participation in SIDBEC, perhaps with capital but more likely with technicians and experts. I also understand that a French-German firm, Almond Potash of Canada, is investing 350 million in a Saskatchewan refinery.

This increased pace should continue as the tremendous Canadian potential becomes better known to French capitalists, especially when the truth is established of a statement by my friend Patrick Hyndman, Counsellor to the Quebec delegation in Paris, to the effect that it is easier to gain access to the American market from Quebec than from Paris.

It may be that the Canadian investments in France are not so well known. The articles of Pierre-Yves Pépin and a recent report in the Financial Times give us an idea: Massey-Ferguson owns in France farm machinery plants; ALCAN is mining bauxite in Provence; Seagram has interests in Mumm champagne, Perrier mineral water and Noilly-Prat vermouth. Mr. Bromberg is also interested in French housing construction; in 1961, Polymer Group built a synthetic rubber plant in Strasbourg; in 1963, the Toronto Westfield Chemical Products; the Laurentide Financial Corporation has acquired 67 per cent

of the interests of Solifrance, a consumer-credit corporation; the Metropolitan Trust of Toronto has become a partner in several European banks.

Progress, therefore, is encouraging in this field too.

Trade

Let us see now if my enthusiasm can survive a brief analysis of trade between France and Canada.

First, let us look at the entire picture. The figures for 1964 are at an all-time high, but, as you know, this is a relative expression. Exports from Canada to France amounted for 1964 to \$79.4 million, 25 percent more than in 1963 and 85 percent more than the yearly average from 1955 to 1964. Imports to Canada from France for 1964 totalled \$62.8 million, 8 percent more than in 1963 and 150 percent more than the average for the past ten years.

This, the trade balance has been in Canada's favour by \$16.6 million in 1964. This has always been so (minimum, \$3 million; maximum, \$22.6 million), except in 1959 (-\$13.3 million).

What, briefly, are the details of these exchanges?

Canadian exports are wide in range and fluctuating in value. Our wheat exports to France, for example, earned us some \$9 million in 1960-61, \$1 million in 1961-62, \$7 million in 1962-63, \$5 million in 1963-64. We also ship to France synthetic rubber, salmon, asbestos, wood and wood pulp, copper and aluminum, card-punching machines and computers. The recent trend has been fairly advantageous to our manufactured products -- mechanical saws, farm equipment, radar equipment, refrigerators. Our imports, which are steadier, are no less wide-ranging. Four fifths of them are made up of industrial products, the remaining fifth of agricultural products. We import automobiles and parts, books and printed matter, wines, textiles, and steel products.

How does this trade compare with that which Canada has with other industrial countries? France ranks tenth among our buyers...after Japan, West Germany, the Netherlands, Belgium-Luxembourg; France comes fifth among our suppliers after Britain, Venezuela, Japan and West Germany. This trade with France represents 14 per cent of our sales and 17 per cent of our purchases with the European Economic Community; it represents less than 1 per cent of our world exports and less than 1 per cent of our world imports!

Many reasons have been advanced to explain this meagre level:

- (1) the high level of French self-sufficiency in agriculture and industry -- Canadian specialties;
- (2) traditional protectionist French commercial policies towards the dollar area. (Reference is often made, for example, to the 33 percent duty on canned salmon, considered a luxury, which competes with tuna, on which only an 11 percent duty is imposed).

- (3) Mention is also made of the orientation of French trade towards the six EEC countries. No one takes exception to this, of course; but it should nevertheless be emphasized that trade among The Six has increased by 23 per cent from 1962 to 1963. Many Canadians fear that the EEC is going to shut its doors to the outside world. There is no important evidence of this for the time being, especially when it is realized that Canadian exports to The Six increased from \$402 million to \$555 million between 1957 and 1964. The success of the "Kennedy round" of negotiations -- that is to say, an across-the-board reduction of agricultural and industrial tariffs -- would, of course, help to dispel our misgivings.
- (4) Another reason is often mentioned. Jacques Devinat, the helpful Commercial Counsellor of the French Embassy, puts it thus: "The French are only too prone to regard the Canadian market as beyond their reach, and to remember the failures encountered several years ago". Mr. Filion also has had a few harsh words to say in this respect.

This might explain why the Germans, for instance, manage to sell industrial equipment to Canada without preferential tariff protection, equipment which I am told France is making just as efficiently. This line of products represents 22.5 per cent of German and only 2 per cent of French exports.

On the other hand, a few things have also to be said against Canada:

- (1) We are systematically putting all our eggs in one basket. Close to 75 per cent of our trade is with the United States and Britain; this can be explained by geographical as well as historical reasons which I need not labour. Nevertheless, we certainly have not hitherto put enough effort into the diversification of our trade channels. Yet the trade commissioners of the Department of Trade and Commerce operating in France keep calling the attention of Canadian exporters to the possibilities of the French market. A recent article in Foreign Trade lists many sales opportunities: chemicals, camping equipment and sporting goods, freezers and refrigerators, communication equipment, toys, etc.
- (2) Our customs tariffs are a steep barrier against French manufacturers, as indeed they are against the products of other countries. Our provincial taxes on wines are enough to give a stroke to French exporters, and to Canadian consumers. (Even the quiet revolution in Quebec does not yet encourage the use of still wines).

These problems are very real (I need not mention the word "uranium").

But, it would be going too far to speak, as some have, of the non-complimentary nature of our two economies. To solve these difficulties, increased effort will have to be made on both sides. And often success will follow. Two recent examples will illustrate this. Mr. Hays announced recently that a quarantine station would be built this year at Grosse Isle to promote the importation of Charolais cattle. In turn, I was told yesterday that France will allow the importation of boneless meat as well as carcasses. These decisions will undoubtedly please exporters in both countries. Let us attack other restrictions in the same manner.

Defence Production

There is much to be done in matters of defence production, and, in fact, new efforts are now in process. Canada recently acquired the French ENTAC anti-tank weapons and SS-11 guided missiles. From January 1961 to September 1964, Canada paid more than \$15 million for military equipment and services in France, compared with less than \$2 million paid by France to Canada. The Department of Transport recently bought an Alouette II helicopter for coast-guard patrol and has taken options on two or three others.

A general impression emerges from all this. For a long time, the slow course of our trade has been regarded as inevitable. Nowadays, questions at least are being asked; above all, as I have said, we are ready to use other means, such as investments or the exchange of technicians to increase our trade.

I have said enough to bring me to my conclusion: France is becoming a fourth pillar of our external policy; cultural exchanges offer almost limitless possibilities; many trade barriers could be lowered through perseverance and goodwill; investments in both directions, which are good in themselves, can also lead to increased commercial activity; Quebec can be, and must be, the intermediary for this increase in cultural and economic exchanges between our two countries. On both sides there are misgivings and at times isolationist tendencies to be overcome; but, to the best of my knowledge, our highest hopes are justified.

S/C



Gov. Doc
C08

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/11

CANADA AND THE COMMONWEALTH

An Address by The Honourable Paul Martin,
Secretary of State for External Affairs,
to the Canadian Club in London, Ontario,
12 April 1965.

There is an old parable about the cloak of Socrates. It is said that, in the course of his lifetime, Socrates' cloak was patched so many times that, in the end, nothing remained of the material that had gone into the making of it. And yet, though all its original parts had been replaced, it still retained its identity as the cloak of Socrates. Now the point of that parable was to show that an idea has a life, a validity that does not depend on the particular form it assumes at any given time. Surely, this is not without relevance to the nature of the Commonwealth.

Content
The Commonwealth has always eluded definition. That is in part because it does not really fit any recognized category of international association. But it is also because the Commonwealth is continually evolving.

In that evolution Canada has played a key part. It has been said that "the present conception of the Commonwealth owes more to Canadian thinking and Canadian pressure than to any other influence" and there is a good deal of substance in that claim. From the beginning we have wanted to have the best of both possible worlds. We have wanted to have complete independence to pursue the policies that would serve our national interest and strengthen our national unity. But we have not wanted to cut our ties across the seas. Our position on the North American continent led us inevitably to reach out beyond our borders for a broader and broadening framework of association within which to advance our interests and make our distinctive contribution.

This is the basis of the approach we have taken to the evolving Commonwealth. It is why we have always resisted any conception of centralization or joint policy control, why we asserted our claim to separate diplomatic identity at the conferences that followed in the wake of the First World War, why we pressed our demands for a clear statement of Dominion status in 1926. It is also why we helped pave the way for the last major change in the constitutional form of the Commonwealth relation which was designed to enable India to remain in the Commonwealth as a republic.

There is no doubt that Canada's dual heritage had a good deal to do with shaping our conception of the Commonwealth. It not only inclined us to look outward, it also gave us a special capacity to help evolve relations which derived their strength from diversity. And that, as it turned out, was to be the nature of the Commonwealth relation.

And so I think it is possible to say that our conception of the Commonwealth proved to be forward looking. It was probably the only conception that could, in the end, have accommodated the non-British peoples of the Commonwealth who today comprise the vast majority of its members. The choice for these countries was not always easy. There were important segments of public opinion in many of them who questioned the wisdom of Commonwealth membership. That they nevertheless opted freely for the Commonwealth, that they saw a balance of merit in that direction, was to be a watershed in the evolution of the Commonwealth. The Commonwealth as we know it today -- spanning the continents and lying astride the great divisions of race and wealth in the world -- has its origin in that option.

I should like, at this point, to revert to the matter of definition. Perhaps the closest we can come to a definition of the Commonwealth is to call it a partnership -- a partnership based on a measure of common historical recollection, on a framework of common values and institutions, but above all on a willingness to consult and co-operate on a basis of mutual confidence.

I say "above all" because I frankly think that aspect of our partnership is decisive for the future of the Commonwealth. The common recollections will fade. Some of the ties -- whether of sentiment or self-interest -- which form the basis of our partnership will inevitably weaken in time. We must expect the new countries, in particular, to develop values and institutions that will conform more and more to the special circumstances of their own societies. It is remarkable enough that we should have been able to achieve a form of association which has shown itself capable of accommodating the interests of 21 independent countries, widely distributed over the globe and accounting for nearly one-quarter of the world's population. But if we want to keep our partnership alive and meaningful, we cannot afford to take it for granted. We must strengthen and consolidate existing ties where that is possible. We must move forward to seek out new avenues of co-operation towards common objectives. We must give our partners a continuing stake in the Commonwealth.

Racial partnership is a case in point. Almost a decade ago, The Economist expressed the view that "the outstanding problem of the new Commonwealth, as indeed at longer range of the world at large, is the problem of racial partnership". In the intervening years it has become one of vital urgency. For, if we accept the value of a multi-racial Commonwealth, a Commonwealth in which nations representing different races, cultures and continents are prepared to collaborate in a community of purpose, then surely we cannot afford to leave any doubt as to where the Commonwealth stands on this whole issue of racial pride and prejudice. It is a challenge we have to meet, not only because it is central to our partnership but because the Commonwealth is in a unique position to play a part in enlarging the horizons of racial understanding in the world.

I am glad to say that that challenge is being met fairly and squarely. It was met in 1960 when, because of the repugnance with which her policies of apartheid and denial of racial equality were regarded by all other Commonwealth countries, South Africa was allowed to withdraw from the Commonwealth. And the Canadian position was of major importance in influencing the outcome of that issue at that time. The challenge was met again last year when the prime ministers of the Commonwealth were faced with another explosive racial situation in Southern Rhodesia. On this occasion, our Prime Minister suggested that the time had come for the Commonwealth to adopt a declaration of racial equality, to reaffirm the principles for which we stand in the Commonwealth on this matter. That suggestion was endorsed unanimously by the other prime ministers, and it was taken up in the communique issued at the conclusion of their meeting. In that communique, the prime ministers of the Commonwealth "affirmed their belief that, for all Commonwealth governments, it should be an objective of policy to build in each country a structure of society which offers equal opportunity and non-discrimination for all its people, irrespective of race, colour or creed". They also went on to express their view that "the Commonwealth should be able to exercise constructive leadership in the application of democratic principles in a manner which will enable the people of each country of different racial and cultural groups to exist and develop as free and equal citizens". I am sure that declaration marks a significant new advance in the evolution of the Commonwealth idea, which is certain to strengthen our association.

There was another development at last year's meeting of Commonwealth prime ministers which I regard as significant in terms of where the Commonwealth is going. Some of the newer Commonwealth countries proposed the establishments of a small central secretariat which could serve as a symbol of our common desire for closer and more informed understanding between Commonwealth governments. The primary functions of such a secretariat, as they envisaged it, would be to provide a broad range of information on issues of common concern, to assist existing Commonwealth agencies to promote co-operation in various areas, and to perform certain responsibilities in relation to future meetings of Commonwealth prime ministers and perhaps also other ministerial meetings.

That proposal has now been carried forward by senior Commonwealth officials, and I should expect it to be translated into a firm decision when Commonwealth prime ministers meet in London this coming June. The intention would be for the secretariat to be recruited from member countries and to be financed by their joint contribution. I want to say that the Canadian Government has approached this proposal in a positive spirit. We regard it as potentially very useful, especially in affording the newer members a greater sense of equality and participation in the Commonwealth. We are prepared to play our full part in the work of the proposed secretariat, and it is in that spirit that we have put forward the name of Mr. Arnold Smith, a distinguished senior official in my Department, as a candidate for the post of Secretary-General.

Of course, there is no intention in all this to bring into being a body that would exercise any kind of directing or centralizing functions within the Commonwealth. That would hardly be in accord with the present realities of the Commonwealth relation and it was certainly not in the minds

of those who made the proposal. The significance of the proposal seems to me to lie in quite another direction.

It is fair to say, I think, that the importance of the Commonwealth relation for the new members has been very much a function of the importance they attach to their continued relations with Britain. That is natural in terms of the historical evolution of these countries. But side by side with these important bilateral relations with Britain, the wider Commonwealth partnership has come to acquire greater meaning and reality. And I should say that it is to this mutuality of the Commonwealth partnership, revolving round no single national centre, that the new countries would like to see some tangible expression given at this stage.

There is always a good deal of soul-searching going on about the Commonwealth, and perhaps that is inevitable. I suppose I have done some soul-searching myself today. I should like, therefore, in the time remaining to me, to say something about the Commonwealth in action.

I begin with education. There is no doubt that education has been one of the strongest links in the Commonwealth association. Many of the leaders of the new countries were at one time or another educated at British or British-type institutions. This has helped to give the expanding Commonwealth the elements of a common framework of standards and values. Our common use of the English language has worked in the same direction. For language, as a means of expression, inevitably has a part in shaping the structure of our thought processes and experience. When Commonwealth leaders sit down together, they may not always agree with one another. But at least, if they disagree, this is not the result of a failure of communication between them.

The whole perspective of education is now changing. We are living in a more and more sophisticated world, which calls for more and better education at all levels. That is true as a general proposition but it applies, of course, with particular force to the new countries. These countries are engaged in massive development programmes. The ultimate objective of this whole development process is to create modern technological societies. If that is to be done, human resources will need to be mobilized on a very large scale. And there will have to be fundamental changes in outlook and motivation. That is the real challenge which education will have to meet in these countries.

In the Commonwealth we have recognized the great importance of education, not only as a basis for closer understanding and contact but as an instrument of economic and social development, particularly in the new countries. We have devised imaginative and long-range programmes to promote Commonwealth education with these purposes in mind. Some of these, like the Commonwealth Scholarship and Fellowship Plan, owe their origin to Canadian initiatives. In all of them, Canada is playing a full and active part. During 1964, some 1,466 Commonwealth scholars of one kind or another were pursuing their studies or training in Canada under programmes financed by the Canadian Government. Over roughly the same period, some 250 Canadian instructors were serving the cause of Commonwealth education in various Commonwealth countries. That seems to me a good example of the Commonwealth in action.

I turn next to the matter of aid. Of course, aid is not something that can be confined in a Commonwealth context. That is because it has always been recognized that there is a need to mobilize resources on a much greater scale than the Commonwealth itself is able to command if the task of Commonwealth development is to be tackled effectively. But I also believe it is fair to say that there has never been any disposition in the Commonwealth to look at this matter of aid in any exclusive spirit. That certainly was not the position taken at Colombo in 1950 when the first great Commonwealth initiative in this field was launched.

Commonwealth governments took the lead at that time because of their special ties with Southeast Asia. They took the lead because three-quarters of the people in that area were living in Commonwealth countries. But it was contemplated from the beginning that all countries in the area which were not members of the Commonwealth should be invited to participate on equal terms in whatever plan could be devised to lead to international action. And that is precisely what has happened over the years.

This is a point of more than academic importance to Canada. The problem of development is indivisible. It is crucial to large areas of our present-day world. The Commonwealth encompasses a great part of the so-called developing world and what we do there will inevitably have beneficial results. But the problem transcends the Commonwealth and we have thought it right, in particular, for Canada's aid programmes to reflect the bilingual and bicultural facts of our national life and the special capacity this gives us to be of assistance to French-speaking countries in the developing regions of the world. Accordingly, our efforts will continue to be directed towards increasing the proportion of Canadian assistance going to these countries.

Canada has taken a leading part in the development of aid programmes in one Commonwealth framework or other. Our contribution to the Colombo Plan since its inception now totals more than half a billion dollars. In 1958 we launched a specifically Canadian aid programme directed to the Commonwealth areas of the Caribbean. In 1960 we became partners in a Special Commonwealth Africa Aid Programme, which is a counterpart in Africa of the Colombo Plan in Asia. Our aid in all these directions is expanding. We recognize that this is the right course to pursue if we are to give meaning and substance to the concept of the Commonwealth partnership. It is also the course of self-interest. For we cannot expect, over the longer term, to assure our security or our prosperity in conditions where two-thirds of the world's population live on the margins of deep and dire poverty.

I said a moment ago that aid is not something that can be confined in a Commonwealth context. That is certainly also true of trade. Our individual economies in the Commonwealth are now much more highly diversified than they were at one time. And the trend in that direction is continuing. Moreover, our effective trading world has expanded significantly over the years. As a result, it is no longer possible for our various economic interests and requirements to be accommodated within any closed economic system. And so we have come to recognize, as members of the Commonwealth, that it is in our common interest to press for the freeing of world trade on the broadest possible basis, for a world trading system which enables each of us to meet our requirements from the most

competitive sources and to sell our exports in the most remunerative markets. That is why I think all Commonwealth countries are looking to the "Kennedy round" of negotiations, which is now in progress, to bring about a substantial lowering of barriers to world trade.

But there is another aspect to this issue of Commonwealth trade, and that is the position of the newer Commonwealth countries. Like other developing countries, they are concerned to conduct their trade on a basis which is more responsive to their development needs than the present world trading environment as they see it. That whole problem has now been taken up in the United Nations and other international organs. It is a complex problem, which is not susceptible to easy solutions. But, above all, it is a problem which cannot be solved in any restricted context. It requires a concerted international approach if there is to be any prospect of giving the developing countries a greater share in the benefits of world trade.

All this is not, of course, to discount the great value of the Commonwealth trading system. Certainly, as far as Canada is concerned, we have benefited from the operation of that system. I am sure that is also the experience of our Commonwealth partners. We stand ready to explore all avenues of expanding the volume of exchanges within the Commonwealth. We are confident that that can best be done in a framework of expanding world trade.

All these matters of which I have spoken relate, in one way or another, to economic and social progress. And it is right that that should be the focus of co-operation within the Commonwealth at this particular juncture. But we have also had to recognize that economic and social progress can be achieved only on a basis of internal order and stability. And so we have thought it important to help the new countries of the Commonwealth consolidate their internal order and stability by giving them assistance in respect of the training and equipment of their armed forces.

We have been training personnel from Ghana and Nigeria. We have offered a range of training facilities to Malaysia in the present difficulties they are facing, along with a gift of four transport aircraft and 250 motor-cycles for their police forces. We now have a training and advisory team in Tanzania to assist in the planning and organization of that country's armed forces and to provide the initial staffing of a military academy. And there will be another Canadian team arriving in Dar-es-Salaam tomorrow to look into Tanzania's requirements for military air transport and training.

I am confident that these programmes will make their own distinctive contribution to the Commonwealth partnership. I am also confident that they will enable our Commonwealth partners to play a constructive part in the efforts of the international community as a whole to assure peace and security in the world.

I should like to end as I began. I said then that it has always been Canadian policy to reach out beyond our borders. The Commonwealth partnership has been one instrument of that policy. The North Atlantic community and the United Nations have been others. These associations have

brought us into contact with the problems and preoccupations of others. They have increased our understanding of other civilizations and societies. They have given us a focus for bringing our influence to bear on the world in which we live. The Canadian conception of Dominion status was once defined as "independence plus". We must now move beyond that definition to a frank acceptance of an interdependent world.

s/c

1111906



Gov. Doc
C 111
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/12

CANADA'S ROLE IN THE DEVELOPMENT
OF WORLD TRADE

An Address by the Honourable Paul Martin,
Secretary of State for External Affairs, to
the Business and Professional Women's Club
of Windsor, Ontario, April 24, 1965.

...Canada is heavily dependent on international trade. One-sixth of all the goods and services produced in Canada are ultimately exported. The level of our imports has been of roughly the same proportion. We are among the five or six largest trading nations in the world and I believe that, apart from New Zealand, we do more trade per head of population than any other country. This naturally gives us a vested interest in cultivating close relations with all parts of the world. It makes us look outward rather than inward. It also gives us a strong impetus to support orderly and sensible world arrangements, whether in the trade field or in other fields of international co-operation and exchange.

Trade is, of course, a projection of our domestic economy. If we are to trade beneficially in the world, our trade must be based on a sound and expanding economy. Our costs must be stable and our prices competitive. We must use our resources fully and efficiently. We must not lag behind others in the application of science and technology to the development of new products and new processes. We must broaden the base of our exports to make sure that we are producing those categories of goods for which demand in world markets has been expanding the most rapidly. And we must have the financial and other facilities that help to underpin an effective export performance.

That is what we can and must do right here in Canada and the Government will naturally continue to do what it can to encourage our economy to develop in that direction. But Canada's heavy dependence on trade means, of course, that we are also affected by events outside our own borders over which we have only limited control. We are affected, for example, by economic developments in our major markets. That applies especially, of course, to developments in the United States which has been and remains far and away our most important trading partner.

We are also affected by the general world trading environment. In fact, world trade has been growing at a very rapid pace over the period since the Second World War. Since 1948 alone, the volume of world trade has tripled. What is more, over the past decade or so, world trade has been growing at a faster rate than world production. This is the result, in part, of a trend towards increasing specialization and interdependence between the major trading nations. The agreement which Canada signed only last month with the United States, covering trade in automobiles and parts, is an excellent example of this trend. We expect it to result in increased production, increased employment and increased trade in both directions.

But the growth of world trade has also been substantially helped by the lowering of tariff barriers and the gradual dismantling of other restrictions on trade. In this process, GATT has played a major part. Its contribution to the freeing of world trade has been twofold. First, it has sponsored successive rounds of tariff negotiations which, cumulatively, have had the effect of reducing world tariff levels by a very substantial margin. Second, GATT has been responsible for drawing up and policing a code of trade rules which, I am sure, has been of benefit to all trading nations by ensuring that trade is conducted in an orderly and predictable frame of reference.

At this very moment a new round of tariff negotiations is in progress in Geneva. This is the so-called "Kennedy round", named after the late President to whose farsighted initiative it owes its origins. The objectives of the "Kennedy round" are more sweeping than those of any previous tariff negotiation. It aims at an across-the-board reduction of 50 per cent in the tariffs of the major trading countries. Its mandate extends to tariff as well as non-tariff barriers, to trade in manufactures as well as to trade in agricultural products. In short, it holds out the prospect of a fresh and substantial advance towards greater freedom in world trade.

Canada is actively participating in these negotiations. It has been recognized by our trading partners that it would not be appropriate for Canada to make its contribution to these negotiations in the form of a linear cut in our tariffs. This is because a Canadian contribution in that form would not -- in view of the particular pattern of our production and trade -- result in a balance of advantage from our point of view. But we have made it clear that we intend to pay fully and fairly for any concessions we receive. We have as much interest as any other trading nation in the successful outcome of these negotiations. The closer they come to achieving their maximum objective, the better will be our access to Canada's major markets and the more we shall benefit from the competitive advantages that economies of scale and specialization will give to our exports.

In this city and to this audience I hardly need to stress the very great importance of our continental trade with the United States, which accounts for about two-thirds of our total imports and over half of our total exports. These figures speak for themselves. But they do not detract from -- indeed, they serve to underline -- our continuing interest in cultivating Canadian trade across the seas. It is to some aspects of that trade which are of particular concern to me as Secretary of State for External Affairs that I would now like to turn.

I turn first to our trade with the countries of the Sino-Soviet world. I regard this trade as important in political as well as economic terms. Of course, we do not export to these countries goods and materials which are classified as strategic and which could contribute to their overall military capacity. This is a sanction we apply over a limited field of our trade. We do so in concert and by agreement with our allies and I think this is a policy that is well understood by all concerned.

But leaving aside the special case of trade in strategic goods and materials, it is our considered view that trade with the countries of the Sino-Soviet world provides a useful means of enlarging the area of understanding and contact with them. Surely the advantages of such trade from the point of view of the free world are self-evident. It draws these countries into the mainstream of international exchanges. It makes it unnecessary for them to rely exclusively on goods and services from within the bloc and to that extent lessens their dependence on one another in other spheres. It promotes contacts between businessmen and technicians on both sides. It familiarizes the countries of the Sino-Soviet world with the economic practices and methods of the free world. All the evidence indicates that this has not been without effect in influencing economic doctrine and managerial techniques in those countries. And taking a very long view, is it not reasonable to assume that rising prosperity and the evolution of a technological society in the countries of the Sino-Soviet world will give these countries a more firmly vested interest in international co-operation as such? Because the interdependence of interest which we have all come to acknowledge is not something that stops short of any national boundary in the world today.

I have referred to the political implications of our trade with the countries of the Sino-Soviet world because I think it is important that they should be understood. But, of course, our trade with these countries is not being conducted for political reasons. It is being conducted, as all trade is, for reasons of mutual benefit. On the Canadian side, that trade has taken the form largely of grain exports. Over the past decade we have exported to these countries some 700 million bushels of wheat and flour at a total value of nearly \$1.5 billion. More than half this amount has been exported in the past three crop years. I anticipate that the basis of our trade will be broadened as time goes by. This will depend, in part, on more general solutions being found for the problems that arise in trade between free market and centrally planned economies. Work on these problems is going forward both in GATT and in the United Nations framework. I am sure that, given the trend towards a more significant participation of countries with centrally planned economies in world trade, solutions to these problems will not elude us.

I would like next to say something about trade with the developing countries. These countries are engaged in long range efforts to advance their economic growth, to transform the structure of their economies, and to improve the standards of living of their peoples. They are doing all this against great odds. While they recognize that the major responsibility is theirs, they also realize that the success of their efforts will depend on an appropriate degree of international co-operation.

There can be no choice for these countries between aid and trade. They must, in the foreseeable future, be able to count on both. They feel that, because of their lack of economic power, the present world trading system is weighted against them. They argue that, as between unequal trading partners, the strict application of the laws of the market leads to unfair results. They note that the most significant advances in world trade are being made in trade between the industrialized countries. They look to an international division of labour which will leave adequate and expanding room for their products.

All these points were made by the developing countries at the United Nations Conference on Trade and Development in Geneva last year. I can only say, as I did at that conference, that the position of these countries presents us with one of the really crucial challenges of our time. We in Canada have kept our markets as open as those of any country to the products of the developing countries. We look to the "Kennedy round" to help further to expand the trade opportunities of these countries. In GATT we have now formally recognized the special position they occupy in international trade, and I should expect that ways and means of giving substance to that recognition will continue to be explored in a variety of international organs, including those which were set up as a result of last year's Geneva Conference.

The thought I should like to leave with you tonight is this: however much is being done to help the trade of the developing countries, more will undoubtedly need to be done in future. If that is done by the advanced countries acting in concert, the burden of adjustment should not be too onerous. But beyond that, it is well to remember that expanding prosperity in the developing countries means expanding world trade. It is also well to remember, I think, that the cause of world peace and security is not likely to be advanced by stagnation and disillusionment in these countries. This is the real measure of interdependence in the world today and of the stake a country such as Canada has in the broadest possible development of international co-operation.



CANADA

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

Canada DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

LIBRARY

2 1965

No. 65/13

PEACE KEEPING AND DISARMAMENT

An Address by the Honourable Paul Martin,
Secretary of State for External Affairs,
to the Special Session of the Eleventh
General Assembly of the World Veterans
Federation, Geneva, May 3, 1965.

* Paragraphs so marked delivered in French.

* I am honoured to have been asked to address this special session to commemorate the twentieth anniversary of the founding of the United Nations. I am particularly honoured to be sharing this platform with the Secretary-General of the United Nations, who has rendered such distinguished and devoted service to the world community.

* This is a solemn anniversary for all of us. It is an anniversary of the hopes and aspirations which repose in this great organization. It is, above all, an anniversary of our collective determination to build a better world order.

* The first condition of such a world order is peace. And it is no coincidence that the first pledge to which we subscribed in the Charter of the United Nations is a pledge of peace -- a pledge "to save succeeding generations from the scourge of war". I have no need to dwell on the undiminished urgency of that pledge in a gathering of world veterans.

* We have come a reasonable way along the course we charted 20 years ago. But a long and arduous road stretches before us. The end of that road is still far from being in sight. It is important, therefore, to be clear where our next steps should be directed.

* I have spoken of reasonable progress on the road to peace. In the very difficult situation which is confronting us in Vietnam today, this may seem like an excessively optimistic statement. But, if we cast our glance back over the past two decades, I think that the record will bear me out. In that period, we have faced a large number of situations of conflict or potential conflict. Many of these situations could have led to war. In the event, they did not lead to war. They did not lead to war because the

international community did not permit them to lead to war -- and because there were mechanisms by which the international community was able to insulate such situations against the hazards of escalation and to bring them within the ambit of peaceful resolution.

* That, as I see it, is the essence of the conception of peace keeping as it has evolved within the framework of the United Nations. I do not think there can be any doubt about the immense importance of that idea in a world in which instability and insecurity are still prevalent. Nevertheless the future of peace keeping is now at issue. Only a few months ago, the United Nations narrowly avoided a confrontation over that issue. I am glad to say that saner counsel prevailed. A special committee is now looking into all aspects of peace keeping with the object of arriving at a sound and broadly acceptable basis for the future.

* I am hopeful that at least the basic elements of a consensus will emerge from the work of the committee. Such a consensus, as I see it, might be reached on some or all of the following propositions:

* First, the United Nations must be restored to financial health. This is a matter of liquidating past debts. I should hope that it is also a matter of not permitting a recurrence of the present situation in the future.

* Second, the United Nations must be enabled to maintain the capacity to act in emergencies. The primary responsibility in this regard is acknowledged to rest with the Security Council. But if the Security Council is unable, for any reason, to act in such a situation, the General Assembly should not be prevented from recommending appropriate action to safeguard the peace. For all governments have, in the last resort, a common interest in taking measures to halt the spread of local conflicts before the major powers are confronted with the alternatives of retreat or world chaos.

* Third, there should be an acceptance of the principle of shared responsibility in financing peace-keeping operations in all cases where the permanent members of the Security Council agree to their being undertaken. In those cases, the General Assembly would apportion the expenses, taking due account of the principle of capacity to pay; If a permanent member were to object to an operation, some modification of the principle of shared responsibility might have to be accepted.

* Fourth, there is a need for continuing efforts to improve the technical capacity of the United Nations to act in situations of emergency. This has its counterpart in suitable arrangements being made by member states to co-operate with the United Nations before such situations arise.

* Canada, for its part, will continue to do all it can to strengthen the peace-keeping capacities of the United Nations. We shall do so by working towards a settlement of the wider political issues in the Special Committee. We shall also do so by improving, where possible, the practical arrangements which must be made in any event if the United Nations is to continue to respond to requests for the provision of international forces to preserve or restore peace around the world.

* We can be sure that some mechanism, whether it be nation states acting on their own, regional groupings or alliances, or the United Nations itself, will continue in the years ahead to be required to do this job. If it is to be well done, we need the broadest possible consensus of world opinion and the United Nations is the best place for us to find that consensus.

Peace keeping is one dimension of the problem of maintaining peace and security in the world today. Disarmament is another.

For the first time in human history, we have achieved something close to absolute military power. We have come to assume that the destructive power we wield will deter us from ever using it. That, at any rate, is the assumption that lies at the root of the conception of "nuclear deterrence". But this is not a state of things we can look upon with any degree of complacency.

In the first place, we are faced with the prospect of a diffusion of nuclear capability. Secondly, it is surely paradoxical that, in a century which has seen man achieve greater control over his environment than any preceding century, we should not be able to build a better and more peaceful world order except under the compulsion of the law of fear. These considerations underline the need for early progress in the field of disarmament.

Your Federation has demonstrated a deep understanding of the realities of disarmament. It will come as no surprise to you, therefore, if I suggest that the principal problem in the field of disarmament before us today is how to limit the further spread of nuclear weapons. And, when I speak of the spread of nuclear weapons, I mean an increase in the number of states possessing independent military nuclear capabilities.

So far, we have pursued this objective in two main directions. First, we have acted to safeguard the transfer of nuclear materials and equipment from one country to another in order to ensure that they are used only for peaceful purposes. The atom, of course, is capable of a wide range of peaceful uses, of which the supply of energy is only one. We must anticipate that, as time goes by, the atom will become an increasingly important agent in the scientific and technological revolution we are witnessing all around us. There is no sense in inhibiting that development. Indeed, there is every reason for encouraging it.

But we cannot ignore the fact that the atom can be used for war as well as for peace. As the peaceful uses of the atom become more widely diffused, more and more nations are inevitably being placed in a position of having the potential capacity to produce nuclear weapons of their own. This situation is coming about without these countries necessarily wishing to acquire a military nuclear capacity. It is coming about without any conscious determination on their part.

It is, nevertheless, a situation of which we have had to take account. And we have taken account of it by attaching safeguards, wherever possible, to transactions in nuclear materials and equipment. Such safeguards are now a feature of most bilateral agreements covering peaceful co-operation in nuclear matters. At the same time, a system of international safeguards has been evolved by the International Atomic Energy Agency to apply to transactions conducted through it, as well as to transactions specifically placed under its supervision for safeguards purposes by member states.

I am convinced that the use of safeguards -- whether bilaterally or in the wider context of the International Atomic Energy Agency -- has played a direct part in delaying the development and spread of nuclear weapons. It has also, indirectly, helped governments to resist pressures on them to embark on military nuclear programmes.

But the use of safeguards is not universal in application. It seems to me, therefore, that we must direct our efforts toward closing this gap by making safeguards applicable on as comprehensive a basis as possible to nuclear materials and equipment entering into international commerce. To the extent that this can be done through the International Atomic Energy Agency, I am sure that international confidence in the system will be enhanced.

The partial test-ban treaty concluded two years ago is another step we have taken towards halting the spread of nuclear weapons. Its extension, accompanied by acceptable arrangements for verification, to include underground testing would help to consolidate progress in that direction. Recent advances in the technique of seismic recording and analysis encourage me to believe that the technical capability to distinguish at long distance between earthquake signals and those of an underground explosion will shortly prove to have been significantly improved. I am hopeful that on that basis, and provided the need for at least some "on-site" inspection can once again be accepted in principle by all concerned, it may be possible to arrive at a comprehensive test-ban agreement which would command general support.

The more comprehensive application of safeguards to transactions in nuclear materials and equipment and the extension of the partial test-ban treaty to cover underground tests would each represent an important advance along the path of containing the spread of nuclear weapons. Even taken together, however, they would be unlikely to prove adequate to the task of effectively dissuading additional states from manufacturing or otherwise endeavouring to acquire control of nuclear weapons.

It is true that, with the passage of time, it has become clear that the nuclear powers themselves have no intention of allowing their nuclear weapons to contribute to the creation of further independent nuclear capabilities. From their point of view such a development would, at best, serve only to complicate the strategic picture. At worst, it could upset the nuclear balance.

Of course, those powers have as yet done nothing to reduce their own vast stockpiles of nuclear weapons. Steps have, however, lately been taken by two of them to reduce the production of fissionable material for weapons purposes and by a third to decrease its planned rate of increase in the output of such material. Those are welcome indications of restraint.

In the foreseeable circumstances of the next ten years, there may be as many as a score of states which could, if they were to make the necessary political decision to do it, acquire an independent military nuclear capability by manufacturing their own nuclear weapons. It seems axiomatic to me that, if these nations are to be expected to continue their voluntary abstention, if they are expected to go even further and make a formal international commitment to refrain from producing them in future, then the military nuclear powers must accept responsibilities of their own. They must not only demonstrate increasing restraint in the nuclear field. They must also make renewed efforts to achieve early progress in the direction of general disarmament, including the reduction and, eventually, the elimination of all national stockpiles of nuclear weapons.

Canada is one of the countries that have the resources and the technical and industrial capability to manufacture nuclear weapons. I should like to believe that our abstention from the pursuit of a military nuclear programme may have served to encourage other non-nuclear states in following a similar policy. In the event, no middle or smaller powers have embarked on a programme of that nature and the expensive investment it would involve in nuclear-weapons carriers of one sort or another. The world cannot, on the other hand, be certain how long that state of affairs will continue.

Under the circumstances, it is encouraging to observe that some non-nuclear states have come forward with proposals for agreement on the non-acquisition of nuclear weapons, either generally or on a regional basis. Proposals on these lines have been developed in Africa and Latin America, two vast continents where there has so far been no domestic production, or national possession, of nuclear weapons but where nuclear science may be expected to contribute significantly to economic development and social progress.

These proposals are to be welcomed as offering a fresh prospect of limiting the further spread of independent military nuclear capability. The idea of non-acquisition is not, however, free of difficulty. In particular, I think there has been a growing awareness that it may not be practical to try to prevent the spread of nuclear weapons through the agency of a non-acquisition agreement in those areas of the world where non-nuclear states are apprehensive of the aims of a neighbouring nuclear -- or potential nuclear -- power.

Accordingly, it may be necessary first -- or simultaneously -- to guarantee the security of such non-nuclear states, at least against nuclear attack by the nuclear state concerned, if they are to be expected to forego the option of becoming nuclear powers of their own at some future date.

Collective security arrangements have in large measure already provided a guarantee of this nature for the allies of the great nuclear powers. The non-aligned and neutral nations do not enjoy similar guarantees, and it is within their ranks that the spread of nuclear weapons is more likely to take place within the next decade.

For that reason alone, it seems to me probable that there will be an increasing tendency to correlate a guarantee of that nature with proposals which take as their point of departure the terms of the Irish resolution. That resolution, adopted at the sixteenth session of the General Assembly of the United Nations, constitutes the only norm of non-dissemination which up to now has been generally accepted. It calls on all states to use their best endeavours to secure the conclusion of an international agreement containing a reciprocal set of undertakings: an undertaking by the nuclear states not to relinquish control of nuclear weapons, or to transmit the information necessary for their manufacture to states not possessing such weapons; and an undertaking by states not possessing nuclear weapons to refrain from manufacturing or otherwise acquiring control of such weapons. There is a pressing need, in my judgement, for the elaboration of an international agreement or agreements on that basis.

This would mean starting with a notion of how to prevent the further spread of nuclear weapons that is well known and whose limitations are fully understood. The adoption of the reciprocal pledges contained in the Irish resolution would not result in any nation being deprived of such provisions for its security -- nuclear or otherwise -- as it may currently enjoy. And the nuclear powers would only be giving formal recognition to a tacit understanding which has governed their relations for the last few years -- namely, that they will not hand over the undivided or independent control of nuclear weapons to states which do not already possess them.

Upon that minimum reciprocal undertaking a system of viable measures might over the course of time be constructed which would make full use and depend for its effectiveness upon the operation of existing bodies within the United Nations system.

I have in mind for example, as part of such an overall system, an extension of the present safeguards procedures. As these procedures stand, they apply essentially to assistance derived by one country from another in the peaceful uses of the atom. They do not, on the whole, apply to a country's peaceful nuclear programmes to the extent that they are carried out without outside assistance. That may be one direction, therefore, in which we could move forward, looking to the day when nuclear and non-nuclear states alike might be prepared to put all their non-military nuclear programmes under the safeguards procedures of the International Atomic Energy Agency.

There is another direction in which progress may be possible. The present safeguards procedures are designed to prevent the manufacture of nuclear weapons. They do not relate to the transfer of control of such weapons. That suggests that the time has come when it might be useful to consider some supplementary mechanism which would deal with situations where

there has been an alleged or suspected transfer of control of nuclear weapons by one state to another. I can envisage a role being played by the Security Council or regional organizations, as the case may be, in the operation of such a mechanism.

In recognition of the acceptance of those constraints and their contribution to the building of international confidence, it should, surely, not be beyond the collective genius of the nuclear powers to provide those non-nuclear states, which are either non-aligned or neutral and which evidently regard the option of being able to become nuclear powers at some future time as a factor contributing to their national security, with a credible guarantee against nuclear attack. This would not, of course, alter in any way their non-aligned or neutral status.

These are some of the directions in which I see the possibilities of progress in the field of disarmament. In the final analysis, however, disarmament is only one avenue towards peace. It cannot by itself vouchsafe peace to the world. In particular, we must not let our preoccupation with disarmament diminish our efforts to strengthen "the sense of community and commonwealth of interest in the world in which lies the real hope of making weapons less relevant".

s/c

STATEMENTS AND SPEECHES



CANADA

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/14

VIETNAM--CANADIAN REPLY TO BRITISH CO-CHAIRMAN'S MESSAGE

On April 30, 1965, the Secretary of State for External Affairs, the Honourable Paul Martin, tabled in the House of Commons the text of his reply of April 27 to a message on Vietnam received on April 2 from the Right Honourable Michael Stewart, the British Foreign Secretary, acting in his capacity as one of the two Co-Chairmen of the 1954 Geneva Conference on Indochina.

The texts of this exchange follow:

Reply by Mr. Martin to Message from Mr. Stewart

In his message of April 2, the British Foreign Secretary, acting in his capacity as one of the two Co-Chairmen of the 1954 Geneva Conference on Indochina, has invited the Government of Canada, as a member of the International Commission for Supervision and Control in Vietnam, to furnish a statement of its views on the situation in Vietnam and on the circumstances in which the Canadian Government believes that a peaceful settlement could be reached.

The Canadian Government welcomes this initiative on the part of the British Co-Chairman and the opportunity which it provides for the Canadian Government to outline its views on these critical problems. The Canadian Government fully shares the British Co-Chairman's attitude of grave concern over the dangerous state of international tension now existing in connection with Vietnam and wishes to express its willingness to support any promising initiative which shows signs of contributing usefully to a lessening of tension and a resolution of the problems underlying these tensions.

The Canadian Government believes that, if there had been a strict adherence to the Geneva Cease-Fire Agreement of 1954, the dangerous situation confronting the world today would not have come about. Unfortunately, this has not been the case and the usefulness of the 1954 Agreement as a basis for the regulation of developments in Vietnam has been slowly eroded by violations on all sides. As a member of the International Commission for Supervision and Control, Canada has been directly aware of the increasing dangers produced by departures from the terms of that Agreement.

In its special report of June 2, 1962, the International Commission drew attention to violations of the Agreement by North Vietnam in supporting, organizing and carrying out hostile activities against the armed forces and administration of South Vietnam and in allowing its territory to be used for inciting, encouraging and supporting hostile activities in South Vietnam aimed at the overthrow of the South Vietnamese administration. This same report also drew attention to the fact that South Vietnam had requested and been given military aid by the United States in quantities which were greater than those permitted by the Geneva Agreement and that a de facto but not a formal military alliance had been concluded by the two countries. In this latter connection, the report noted the South Vietnamese Government's explanation that these measures of military assistance were necessitated by the aggressive policies being conducted by North Vietnam, that they were undertaken in the exercise of the right of self-defence reserved to all states and, finally, that they could end as soon as the North Vietnamese authorities had ceased their acts of aggression against South Vietnam.

Again, in February of 1965, the International Commission presented another special report to which the Canadian delegation appended by way of supplement a minority statement which it considered essential to convey a balanced account of the situation in Vietnam. The Canadian statement, when read in the context of the February 13 report as a whole, indicated that the situation in Vietnam, as the evidence before the International Commission shows, continues to be marked, on an increasing scale, by hostile Northern intervention in South Vietnam, in response to which South Vietnam and its allies have felt compelled to take retaliatory action.

These basic elements in the situation must be taken into account and brought into sharp focus if the problem of indirect aggression as manifested in South Vietnam under the guise of support for a so-called "war of liberation" is to be clearly understood and dealt with.

The Canadian Government believes that aggression, direct or indirect, cannot be tolerated. It must not only be outlawed by the international community but checked and shown to be unprofitable. At the same time, the Canadian Government recognizes that the continuation of hostilities involves a risk of further escalation and wider involvement.

For this reason, the Canadian Government has repeatedly appealed for the exercise of restraint in the present circumstances of mounting tension and danger. These appeals have been directed to all concerned, and the Canadian Government hopes that all other powers with a special interest in the situation and with special relations with any of the parties directly involved in the conflict will attempt to exert such influence as they may be able to exercise to this same end.

The Canadian Government believes that an exclusively military solution to the problem of Vietnam is not possible. The circumstances now existing indicate that a truly satisfactory solution can be found

only by negotiations leading to a fair, just and workable settlement. This settlement must not sacrifice essential principles such as the right of all peoples to choose their own path of political and economic development, free from outside interference or the fear of aggression, direct or indirect.

The immediate problem, in the view of the Canadian Government, is how to bring about negotiations which look to an early and peaceful settlement.

The Canadian Government's initial and favourable reaction to the broad outlines and purposes of the appeal of the 17-nation group, which called for negotiations as soon as possible without preconditions, was announced in the House of Commons on April 1 by the Secretary of State for External Affairs. In this connection, the Canadian Government welcomed the subsequent offer by the President of the United States to enter into unconditional discussions with other interested governments. It must be a source of deep anxiety to all that initial reactions in Hanoi appear to have been negative. The Canadian Government hopes that this negative response is of a preliminary nature only, and that, on further reflection, a more favourable decision will be reached; to this end the Canadian Government has expressed the hope that the efforts of all interested parties will be devoted to urging that these initial and negative reactions be reconsidered. This is a task of the first and most pressing priority, as indicated in the Canadian Government's reply of April 14 to the 17-nations' appeal.⁽¹⁾

If, however, despite the pleas of peace-loving nations in all regions of the world, the Hanoi authorities refuse to take up the offer of the United States as it applies immediately to Vietnam, the possibility of exploring whether there is any common ground whatever on Vietnam might be provided by encouraging discussions looking towards the settlement of another and related dispute, such as that in Laos, or through discussion of development programmes which, by establishing contacts in one field, might make possible discussions leading to the solution of the more acute problem of Vietnam.

Either in addition or as an alternative, such exploratory and reciprocal contacts might be conducted through any or all the existing bilateral channels which are available, provided that both sides wish to avail themselves of them. Although neither North Vietnam nor Communist China is a member of the United Nations, it is not inconceivable that the Secretary-General of that organization, because of his position and personal prestige, might be able to play a useful role in this connection.

(1) The text of this document is appended.

It is, of course, evident that the essential element in any forward step is a desire to negotiate on the part of the governments directly involved in the dispute, regardless of where or how those negotiations begin. But it is equally evident that, behind the Vietnam problem but by no means unrelated to it, is the whole question of relations between China and the rest of the world community. Fostering the desire to negotiate could be encouraged by -- just as it could encourage -- the beginning of a move towards mutual acceptance and greater contact between China and the rest of the world community. An improvement in this wider area may prove necessary in order to bring about the sort of long-term settlement which is desirable. Conversely, if progress on this broader problem is not possible in the near future, a settlement in Vietnam could be a significant contribution to its eventual achievement.

Reference has already been made to the need to understand the facts before a solution can be found. In South Vietnam, outside pressure and interference have taken a military form on both sides, and before any genuine peace and stability can return to Vietnam these must be subdued and progressively eliminated in a balanced manner. Arranging this process should be a task of first priority for any discussions which may be initiated to deal with these problems.

To ensure that measures agreed to and obligations undertaken in negotiations are carried out and honestly kept, it would probably prove desirable to build some form of international control mechanism into the terms of the settlement, not only to maintain reciprocal confidence between the parties in their obligations to each other but also as an effective demonstration of the interest of the international community in guaranteeing the durability of any settlement in which they would in a sense be direct participants. An effective international control and guarantee organization, whatever its composition and sponsorship, would have to be given sufficient backing to enable it to ensure that military interference could be genuinely eliminated, and not simply temporarily concealed, and that expressions of political choice were not subject to coercion.

The perspective opened up by a period of tranquillity, in which the people concerned would be assured that efforts to solve their problems would not be eroded by coercive intervention and political subversion, would have considerable attraction for all members of the international community. The Canadian Government, like the U.S. Government, believes that the development potential of the Mekong River and its immediately contiguous areas offers possibilities for exploitation which could be richly rewarding for the people of that area. An imaginative programme for the exploitation of these and other resources, and their utilization to bring a more prosperous way of life to the people of the region, could be readily devised and would no doubt call forth a generous response from all countries able to contribute. The President of the United States has already indicated the sweeping and generous scope of the extent to which the U.S.A. is prepared to contribute. The Canadian Government has also expressed its willingness to participate in an

appropriate way. Significant, if limited, progress has already been made in this direction but, in the light of the interest which this imaginative proposal has created already, it should be possible to expand the scope of existing arrangements in terms of participants and beneficiaries as well as the projects undertaken.

Not only are the benefits which a regional development scheme such as this could bestow attractive, but so, too, might be the benefits accruing from the gradual development of economic and other exchanges between the component units of the region as arranged bilaterally or within the scope of a wider development scheme.

It is, however, difficult to see how these possibilities could be adequately realized as long as hostilities continue in the area.

A cessation of hostilities thus seems to be the basic requirement for any progress towards either a negotiated and durable political settlement or a development scheme; far from being mutually exclusive, these two avenues -- if a first step could be taken -- would complement and reinforce each other, and progress in one sphere could very easily stimulate or facilitate progress in the other. Both are aspects of the same geographical and political realities and, in the view of the Canadian Government, they merit the earnest consideration of all governments who wish no more for that troubled area than that its people may enjoy enduring peace under institutions which they themselves have chosen as best calculated to ensure a brighter and more prosperous future.

Ottawa,
April 27, 1965.

Message of Mr. Stewart

The British Co-Chairman of the 1954 Geneva Conference on Indochina has noted with grave concern the dangerous state of international tension now existing in connection with Vietnam. Accordingly he invites the governments members of the 1954 Conference and the governments represented on the International Control Commission to furnish him with a statement of their views of the situation in Vietnam and, in particular, on the circumstances in which they consider that a peaceful settlement could be reached.

The British Co-Chairman also hopes that the forthcoming visit of his special representative, Mr. Patrick Gordon Walker, to South-east Asia will afford the governments of the countries he will visit an opportunity for further discussion of their views on this problem.

Foreign Office,
London, S.W.1.
2 April, 1965.

SEVENTEEN-NATION APPEAL

On April 1, the Secretary of State for External Affairs received the text of an appeal signed by the heads of state or government of 17 nations. Representatives of a group of these nations had met shortly before in Belgrade to consider the situation in Vietnam and had there adopted the appeal which was also presented to the U.S.A., the U.S.S.R., Britain, France, Communist China, North Vietnam, South Vietnam, Poland, the Vietnam Liberation Front (Viet Cong), and the Secretary-General of the United Nations.

The appeal, which was presented to Mr. Martin by the Yugoslav Ambassador and the Chargé d'Affaires a.i. of the United Arab Republic, reads as follows:

Pursuant to the final declaration of the Conference of Heads of State or Government of non-aligned countries held in Cairo in October 1964.

We the undersigned heads of state or government have noted with great concern the aggravation of existing tensions and conflicts in Southeast Asia and in certain regions of Africa, the Middle East and Latin America, arising from oppression and foreign intervention, and regret the present deadlock in the United Nations which prevents it from exercising fully its responsibility in maintaining and safeguarding peace.

We solemnly reaffirm the right of peoples to self-determination and the principle that all states shall refrain in their international relations from the threat or use of force.

We reaffirm our dedication to the principle of the inviolability of, and respect for, the sovereignty and territorial integrity of states.

We express our conviction that recourse to force and pressure in various forms is contrary to the right of the people of Vietnam to peace, freedom and independence and can only lead to the aggravation of the conflict in that area and to its transformation into a more generalized war with catastrophic consequences.

We are deeply concerned at the aggravation of the situation in Vietnam and are convinced that it is the consequence of foreign intervention in various forms, including military intervention, which impedes the implementation of the Geneva Agreement on Vietnam.

We are firmly convinced that, irrespective of possible differences in appraising various elements in the existing situation in Vietnam, the only way leading to the termination of the conflict consists in seeking a peaceful solution through negotiations. We

therefore make an urgent appeal to the parties concerned to start such negotiations, as soon as possible, without posing any preconditions, so that a political solution to the problem in Vietnam may be found in accordance with the legitimate aspirations of the Vietnamese people and in the spirit of the Geneva Agreement on Vietnam and of the Declaration of the Conference of Non-Aligned Countries held in Cairo.

We invite the governments of all countries interested in the maintenance of world peace to associate themselves, as soon as possible, with this appeal.

March 15, 1965.

s/c



CANADA

CANADA EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/15

STATEMENTS RELATING TO THE 17-NATION
APPEAL FOR A VIETNAM SETTLEMENT

- (A) On April 14, 1965, the Secretary of State for External Affairs, the Honourable Paul Martin, presented to the Ambassador of Yugoslavia to Canada and the Chargé d'Affaires of the United Arab Republic the following reply to the April 1 appeal of 17 non-aligned nations for a negotiated settlement in Vietnam;

The Canadian Government has given careful consideration to the 17-nation appeal officially presented to it on April 1.⁽¹⁾

The Canadian Government welcomes the spirit in which this appeal has been launched and commends the sponsoring nations for their initiative, which reflects the anxiety of all responsible nations of the world over the deepening crisis in Vietnam and their concern for a peaceful resolution of the conflict.

In a statement to the House of Commons on April 1, the Secretary of State for External Affairs stated that there was much in the appeal with which the Canadian Government could agree. In particular, Canada shares with the sponsoring powers the belief that only through negotiations looking to a peaceful solution can the conflict in Vietnam be terminated; and Canada supports the call of the 17 powers for negotiations as soon as possible without either side imposing any preconditions.

The Canadian Government's view of the nature of the situation in Vietnam is, of course, based on Canada's membership in the ICSC, which provides an opportunity at first hand to examine the various factors contributing to this unstable situation. The conclusions to which Canada has come on the basis of this experience have most recently been put before the international community in the Commission's special reports of June 2, 1962, and February 13, 1965, and in various statements on behalf of the Canadian Government by the Prime Minister and the Secretary of State for External Affairs. While the appeal notes that there may be differences in appraising the various elements in the existing situation in Vietnam, there

(1) The text of the appeal is appended.

can be no doubt about the importance which Canada attaches to a renewed effort to solve the problem manifested in the Vietnam situation by negotiations undertaken in a genuine determination to achieve a mutually acceptable, just, and durable settlement.

The Canadian Government has noted the willingness expressed by the President of the United States on April 7 to enter into unconditional discussions looking for a peaceful solution. This offer is of great significance, and will no doubt be as gratifying to the sponsors of the appeal as it has been to the Canadian Government. This offer, and suggestions for a vast regional economic development scheme for Southeast Asia, provide grounds for hope that progress may be made towards solving outstanding problems in a peaceful and constructive context.

Discussions or negotiations, however, require a willingness of both sides to participate. The Canadian Government earnestly hopes, therefore, that all the other interested governments will respond affirmatively to the appeal as a demonstration of their concern for peace, and that they will not hesitate to take up the offer of unconditional discussions made by the President of the United States. The Canadian Government also hopes that the sponsors of the appeal will not be discouraged by indications of preliminary unsympathetic responses from some quarters and will continue their efforts to impress on those concerned the need for a beginning to be made at talks without preconditions. To such an effort, the Canadian Government gladly lends its support.

(B) On April 1, the Secretary of State for External Affairs, the Honourable Paul Martin, in reply to an inquiry as to whether Canada had been "approached by the representatives of Yugoslavia and other non-aligned states who are planning to issue an appeal for a negotiated settlement in Vietnam" and, if so, what position would be adopted by Canada "in regard to such an appeal", made the following statements:

... Representatives of some 14 non-aligned nations met in Belgrade two weeks ago at the instance of the Government of Yugoslavia in an attempt to work out an appeal for a peaceful settlement of the problem in Vietnam. This morning I received the Ambassador of Yugoslavia and the Chargé d'Affaires of the United Arab Republic, who made a formal presentation of the text of the appeal which invites the support of the Canadian Government. I might add that a few days ago the Yugoslav Ambassador called on the Prime Minister.

We have been following the deliberations of the Belgrade group with considerable interest as a manifestation of the genuine concern felt everywhere in the world at the development of the conflict in Vietnam and its potential dangers for world peace. I believe that any constructive initiative aimed at reducing tensions in the first instance, and in a longer view, at achieving an equitable long-term solution, deserves commendation and encouragement.

I have not yet had an adequate opportunity to study the text of the Belgrade appeal in as much detail as I would like, but on the basis of a first reading I think there is much in it that we can support. In expressing grave concern over the aggravation of existing tensions, in reaffirming a belief in the inviolability of and respect for the sovereignty and territorial integrity of states, and in advocating a peaceful solution through negotiations, the appeal seems firmly rooted in principles which are cornerstones of Canadian foreign policy.

Moreover, I believe the appeal has been formulated in such a way as to avoid dangerous oversimplifications of the complex factors contributing to the tension in Vietnam. It would appear to me that ideas such as the unacceptability of the use of force and the dangers of outside intervention, including military intervention, are intended to have a general applicability to all those directly involved in this conflict. Only if there is widespread recognition of the fact that these ideas in particular, and the appeal in general, are directed with equal persuasive intent to all parties to this dispute can there be any prospect of this initiative bearing the fruits of success which we hope it may have.

Seventeen-Nation Appeal

On April 1, the Secretary of State for External Affairs received the text of an appeal signed by the heads of state or government of 17 nations. Representatives of a group of these nations had met shortly before in Belgrade to consider the situation in Vietnam and had there adopted the appeal, which was also presented to the U.S.A., the U.S.S.R., Britain, France, Communist China, North Vietnam, South Vietnam, Poland, the Vietnam Liberation Front (Viet Cong), and the Secretary-General of the United Nations.

The appeal, which was presented to Mr. Martin by the Yugoslav Ambassador and the Chargé d'Affaires a.i. of the United Arab Republic, reads as follows:

Pursuant to the final declaration of the Conference of Heads of State or Government of non-aligned countries held in Cairo in October 1964.

We the undersigned heads of state or government, have noted with great concern the aggravation of existing tensions and conflicts in Southeast Asia and in certain regions of Africa, the Middle East and Latin America, arising from oppression and foreign intervention, and regret the present deadlock in the United Nations which prevents it from exercising fully its responsibility in maintaining and safeguarding peace.

We solemnly reaffirm the right of peoples to self-determination and the principle that all states shall refrain in their international relations from the threat or use of force.

We reaffirm our dedication to the principle of the inviolability of, and respect for, the sovereignty and territorial integrity of states.

We express our conviction that recourse to force and pressure in various forms is contrary to the right of the people of Vietnam to peace, freedom and independence and can only lead to the aggravation of the conflict in that area and to its transformation into a more generalized war with catastrophic consequences.

We are deeply concerned at the aggravation of the situation in Vietnam and are convinced that it is the consequence of foreign intervention in various forms, including military intervention, which impedes the implementation of the Geneva Agreement on Vietnam.

We are firmly convinced that, irrespective of possible differences in appraising various elements in the existing situation in Vietnam, the only way leading to the termination of the conflict consists in seeking a peaceful solution through negotiations. We therefore make an urgent appeal to the parties concerned to start such negotiations, as soon as possible, without posing any preconditions, so that a political solution to the problem of Vietnam may be found in accordance with the legitimate aspirations of the Vietnamese people and in the spirit of the Geneva Agreement on Vietnam and of the Declaration of the Conference of Non-Aligned Countries held in Cairo.

We invite the governments of all countries interested in the maintenance of world peace to associate themselves, as soon as possible, with this appeal.

March 15, 1965.

s/c

Gov. Doc

Can

E

CANADA: EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES



CANADA

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/16

INTERDEPENDENCE IN THE MODERN WORLD

Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the Canadian Federation of Mayors and Municipalities, Windsor, Ontario, May 18, 1965.

...Some of our Canadian communities are more populous than a number of sovereign states in the world today. Many of them are also a good deal more affluent. All our communities are facing problems that are not too different from the problems that are being faced by sovereign states today -- the problem of carrying forward social and economic programmes that will ensure progress and partnership on the broadest possible basis.

I am sure we have also found that there is no such thing as self-sufficiency in the conditions of the present day. There is no way in which we can insulate our communities -- whatever their size or structure -- from what is happening on the outside. These are the realities of interdependence. They have been brought home to us by the contraction of physical distances, by the impact of modern science and technology, by the vast expansion of our knowledge about the world around us, by the facts of power and enlightened self-interest.

And so, what is happening in the world today is inevitably of concern to all of us -- as individuals, as citizens, and as governments. We are involved, each and everyone of us, in the course of events. It is important, therefore, that we should be aware of the options before us.

It used to be possible, at one time, to think of peace and war as options. But in this nuclear age of ours it is no longer possible to think in that way. War can no longer be regarded as an instrument of policy -- even in the last resort. The only option we have is peace, and all our policies must be predicated on that irreversible fact.

But to say that is not, of course, to discount the existence of tension and conflict in the world. On the contrary, the pace of change in our generation has been such that it would be surprising if it had not brought new ferment and new friction in its wake. The task before us, as I see it, is to direct change along peaceful channels and to devise methods and means by which we can bring situations of conflict, where they arise, within the ambit of peaceful solutions.

We have tried to do that through the United Nations and in other ways. We have not been entirely unsuccessful. But, as we look around the world, we can hardly be complacent about the results. The need to perfect the instruments of peace is as vital today as it has ever been.

Within the last fortnight, I was able to witness at first hand the great contribution to peace which the United Nations is making in Cyprus. It was a memorable experience. On that island, some 6,000 United Nations soldier-ambassadors are effectively keeping the peace. They are playing an indispensable part. By their presence and by helping to resolve causes of local friction, they are preventing the recurrence of fighting. They are helping to establish law and order. They are doing what they can towards the gradual restoration of normal conditions of life on the island. They are holding the fort while the groundwork is being laid for political negotiations looking towards a peaceful solution of the dispute. They are doing a magnificent job. They are doing honour and credit to the nine countries which placed those peace-keeping forces at the disposal of the United Nations.

I have come away from Cyprus with a much more vivid impression of what the United Nations has done there. I was particularly pleased that United Nations forces now have much greater authority and freedom of movement than they had in the earlier phases of their mission. I want to pay particular tribute to General Thimayya, the distinguished Indian soldier, who is in command of United Nations forces on the island and who has contributed so much to the success of this operation. It is probably the most effective operation the United Nations has ever conducted in the cause of peace.

I am proud to report to you this evening on the key role that our own Canadian forces have been playing in Cyprus. They have set a very high standard of performance. They and their predecessors have established an enviable reputation for themselves. That was the unanimous judgment of all concerned on the island, including the President of Cyprus, Archbishop Makarios, the Vice-President, Dr. Kuchuk, and General Thimayya. It has certainly confirmed our belief that training for peace enhances the effectiveness of Canadian forces called upon to serve under the blue and white banner of the United Nations.

This particular operation has had to be conducted against very great odds. The mandate of the operation runs for only three months at a time. The funds to finance it have to come from voluntary contributions. I need hardly say that these continuing uncertainties surrounding the operation have created serious problems of planning and execution. It is, in my view, far from being an ideal pattern for future operations of this kind and I should hope that, out of the discussions now in progress in a Special Committee of the General Assembly, will come some formula that will give the United Nations a more assured capacity to respond to future situations of emergency.

I am glad to say that Canada was able to play a crucial part in the establishment of the peace-keeping operation in Cyprus. If we had not acted as and when we did and pledged our support for the operation, there was a real possibility of armed conflict being resumed on the island, with all the attendant risks of a military confrontation between Greece and Turkey. In the

intervening 14 months, Canada has maintained what is now the largest contingent in Cyprus. And we have shouldered the full financial burden of keeping our forces there.

The end of the operation is not yet in sight, and I hope that more countries will see their way clear to assuming some share of responsibility for its continuance. As far as Canada is concerned, we intend, for the present, to maintain our commitment in Cyprus. At the same time, we look to a long-term settlement of the present crisis which will make the continued presence of a United Nations force on the island unnecessary.

As a member of that force, it would not, in my view, be appropriate for Canada to advocate any particular views with regard to the nature of such a long-term settlement. That is essentially the task of the parties concerned and of the United Nations, which has been entrusted with the task of mediation. The United Nations mediator has now submitted his report. While there have been differences of view between the parties with regard to that report, I believe, nevertheless, that the stage has been reached when negotiations between them need to be started. I should hope that that would be done in a positive and constructive spirit.

The situation on the island is complex. Two communities -- Greek and Turkish -- have long been established there. Both represent cultures and civilization which have made an immense contribution to the Eastern Mediterranean area and beyond. There has been a breakdown of mutual confidence between these communities, and there is very deep bitterness and suspicion between them. The Greek community represents a majority on the island and I think we can all appreciate, in such a situation, the problems encountered in the search for a framework that will give assurance to all the inhabitants and harness their energies and their loyalties in the best interests of the new state.

Inevitably, the interests of Greece and Turkey are engaged in the course of events in Cyprus. Both are our partners in NATO and the strain in their relations arising from their differences over Cyprus has been a matter of grave concern to the Alliance. On the basis of my conversations with the Greek and Turkish Foreign Ministers at the NATO meetings last week, I can say that both countries are aware of their responsibilities in this situation and that they are prepared to play their part in facilitating a long-term solution of the problem in Cyprus.

It is my own firm belief that the time has now come for all interested parties to get the process of negotiation under way. I put this view as forcefully as I could to those concerned with the situation in the course of my visit to Cyprus and subsequently at the NATO meetings in London. I thought it right to make a particular point of emphasizing the urgency of moving forward. I can only say that I am encouraged by the response I encountered on all sides and by some of the positive steps which are already being taken in that direction.

The fundamental problem of peaceful and co-operative coexistence is primarily for the two communities on the island to resolve with the good offices of the United Nations. But I am sure it is also important that parallel discussions be continued between the Governments of Greece and Turkey to improve their relations and to explore the respective contributions they might be able to make to a durable

solution of the Cyprus problem. And, when I speak of a durable solution, I mean, of course, a solution that is capable of commanding the agreement of all the parties. Given the necessary spirit of compromise and accommodation, I believe that such a solution is not beyond reach. I would certainly hope that all concerned will do all they can to bring it within their grasp.

If I am moderately encouraged by the recent trend of developments in Cyprus, I can see no prospect of early improvement in the situation in Vietnam.

In that part of the world, too, there has been an international presence. In this case, it took the form of a commission of which Canada, India and Poland are members. The task assigned to that commission was to supervise the implementation of a cease-fire agreement. It was hoped, at the time the agreement was concluded in 1954, that peace would be restored to the area. In the event, that has not proved to be the case. On the contrary, the situation in Vietnam today is probably more serious than it has been at any time in the past 11 years.

We have watched this situation evolve at first hand. We have tried to assess it objectively and impartially. We have never claimed that there have not been breaches of the cease-fire agreement on both sides. But, when all is said and done, there is one central fact that stands out in this situation and it is this: what we are faced with in Vietnam is a case of covert aggression being conducted by the North against the South. And the ultimate aim of that aggression is nothing less than the overthrow of the government and administration of South Vietnam.

The justification being given to that aggression by the authorities in Hanoi and Peking is that it represents a "war of national liberation". This is a claim which we cannot and do not accept.

Of course, there are many situations all over the world where people are looking for change -- political, economic and social change. No doubt, elements of such a desire for change are present in the situation in South Vietnam. This is part of the process of transformation of a traditional into a modern society which it is in our interest to encourage and support.

We cannot expect that process to be accomplished without some measure of unrest and instability. And when we see one government succeeding another in the South, we should not throw up our hands in despair. We should recognize that after centuries of mandarin authority, after 100 years of colonial administration, and after ten years of attempts at self-rule, a new political pattern is in the process of working itself out in Saigon. And that is happening in the most difficult circumstances of aggression abetted and directed from without.

We were confronted with very similar circumstances in Europe in the years immediately following the Second World War. We were then able to bring aggression under control by making it clear that we were determined to protect and preserve the right of nations to order their own affairs. That is one of the major achievements of the North Atlantic Alliance. And may I say

here, having just come back from attending a meeting of NATO ministers in London, that a strong and viable Alliance seems to me just as relevant to the circumstances of today as it was in the days of its inception 16 years ago.

If this covert aggression is not met -- if it is not shown to be unprofitable -- in Vietnam, then there is no doubt in my mind that it will have to be met elsewhere. At the same time, I am aware of the very serious risk of escalation and wider involvement if the conflict in Vietnam were to be prolonged. To minimize that risk, we have repeatedly appealed to all concerned for the exercise of restraint. The fact remains that the situation carries a real threat to world peace and that it must be brought under early and effective control.

We do not believe there is any alternative to a peaceful, negotiated solution to the conflict that is being waged in Vietnam. That is why we have welcomed the readiness of the United States, as expressed by President Johnson on April 7 and reiterated on a number of occasions since then, to enter into negotiations without preconditions. I deeply regret that there has been no positive response to that declaration from the other side so far.

The first priority now is to bring the two sides to the negotiating table. We and others have made suggestions with the object of facilitating progress towards a negotiation. I am bound to say, however, that all these suggestions are predicated on a willingness on both sides to contemplate the possibility of a negotiated solution. And of that there is, as yet, no evidence on the part of the authorities in either Hanoi or Peking.

I speak of a negotiation because it now seems obvious that a new solution will have to be found in that area. While one may return to the principles of the original cease-fire agreement of 1954, there will have to be some form of negotiation to work out a formulation of those principles which can be applied in present circumstances. And there will certainly have to be some credible arrangements to guarantee the right of all peoples in the area to live at peace under governments of their own choice and free from outside interference or fear of aggression. That is why we have expressed the view that it would probably be desirable, when the time comes, to build some form of international mechanism into the terms of any ultimate settlement.

The element of free choice seems to me an indispensable part of any such settlement. It is inherent in "the principle of equal rights and self-determination of peoples", to which we have subscribed in the United Nations Charter. A negotiation cannot simply be used to cover up the take-over of one part of Vietnam by the other. That would not be a negotiation. It would be a capitulation. And it is wholly unrealistic to think that either side would accept such a conclusion to the present conflict.

The situation in Vietnam is one of the most serious we have faced since the end of the Second World War. I have already referred to the direct risks which a continuation of that situation could involve. I am glad to say that there is some evidence on both sides that these risks are appreciated. But developments in Vietnam are also having their effect on the practical efforts we have been making in a number of directions to lessen world tensions and widen the area of understanding.

It has been a matter of regret to us that, in this situation, the United Nations has not been able to exert its influence for peace. We have established the United Nations as an instrument of peace and good order in the world. We cannot, of course, expect it to be an effective instrument in circumstances where governments are not prepared to settle their disputes by peaceful means. But if there is such a thing as a collective will to peace in the world, then the United Nations is the best framework we have been able to devise to bring it into focus and to channel it into situations of conflict. Above all, we must continue to make sure that the instrument itself does not become blunt through inaction or indifference.

S/C

CANADA: EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION

STATEMENTS AND SPEECHES



CANADA

Gov Doc
Can
E



JUN 21 1965

UNIVERSITY OF MONTREAL

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/17

CANADA AND THE EVOLVING UNITED NATIONS

An Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the United Nations Association of Canada, Montreal, June 4, 1965.

I am honoured that you have asked me to join you at your annual meeting and to speak to you this evening. As some of you know, my connections with the United Nations Association reach back to its predecessor, the League of Nations Society. That is now a period of some 40 years. Thus I think I can fairly say that I know the good work you are doing. I may also claim to have some understanding of the problems you are facing.

If I may paraphrase a passage from a recent essay by Mr. Livingston Merchant, the former United States Ambassador to Canada, the diplomacy we conduct in the modern world is no longer a dynastic diplomacy; it is a democratic diplomacy. This means that those concerned with foreign policy must always bear in mind that their work is subject, in the final analysis, to the approbation or disapprobation of public opinion. This is inherent in the democratic process, but it also underlines the need for public opinion to be fully informed. I know this is one of your main objectives as far as the United Nations is concerned and I think you have met it with excellent results.

I should like to single out in particular your work amongst young Canadians. I am pleased to see that you give priority to them because your efforts in that direction will help to assure the interest of coming generations in world affairs. It will help to assure their continued support, in the years ahead, for the principles and purposes of the United Nations.

I should also commend you for the help you have given to certain programmes of the United Nations. In this International Co-operation Year, I am especially conscious of your efforts in sponsoring the organization of ICY in Canada and the part that you continue to play in putting across its aims and objectives. ICY has caught the imagination of Canadians and Canadian organizations have undertaken more than 100 projects in its name. Without discounting the part the Government has played in promoting the conception of ICY, I am happy to acknowledge that it is the private organizations which have given real dimension to it.

That is as it should be. For the United Nations is an organization of people. It is "we the peoples of the United Nations" who stand committed to the pledges and determinations set forth in the Charter. It is fitting, therefore, that Canada's efforts in International Co-operation Year should,

in the main, be those of the people of Canada acting on their own initiative and out of their own generosity.

I was also much impressed to learn from Mr. Rogers that the Hallowe'en Shell-Out Campaign for UNICEF had yielded \$1 million, an increase of well over \$200,000 over the previous year. This is a very significant contribution, indeed, which will go far in promoting the welfare and relieving the suffering of children throughout the world.

But it is important not to lose sight of the fact that your capacity to aid useful activities is directly related to the strength and resources of your own organization. Raising money to meet the needs of the United Nations Association may not have as much appeal as some of these other causes. We must always remember, however, that the mother who starves herself to feed her children ultimately does harm to them as well. The Canadian Government can and does help your work with an annual grant. As you know, this grant was increased substantially in the current year. But the main responsibility must continue to rest with your Association, drawing its strength and support from Canadians in all walks of life.

Encouraged by the interest and endorsement of Canadians, which is in no small measure due to the work of your Association, successive Canadian Governments have, over the past 20 years, sought to advance the purposes and aims of the United Nations. In the search for international peace and security, we have continued to look upon the United Nations as a focus and foundation-stone of Canadian foreign policy.

If we look into the reasons for this strong Canadian support of the United Nations, we enter upon large questions to which it is perhaps not possible to give more than tentative answers. I should suggest that the most enduring reason for Canadian support of the United Nations may also be the most obvious. The United Nations, like the League before it, was founded in the aftermath of a long and destructive war in which Canada had been deeply engaged. In 1945 Canadians were sickened by the waste and destruction which the war had left in its wake. In common with people in all parts of the globe, they were determined, as the Charter has it, "to save succeeding generations from the scourge of war, which twice in our lifetime has brought untold sorrow to mankind". Twenty years later this view still holds in Canada. It still compels the support of the Canadian people for the United Nations.

We started out with great expectations for the future, and it is right that we should have done so. We created the United Nations to be an instrument of world order -- to be a centre, as the Secretary-General reminded us only the other day, for "harmonizing the actions of nations" in the attainment of common ends. In the face of continuing ferment and friction in the world, we can see no reason for abandoning the aspirations that attended the United Nations at its inception.

But we have had to recognize that, in the final analysis, the United Nations is an instrument in the hands of governments. If it is to be an effective instrument, governments must be willing to invest it with the powers and prerogatives that will make it effective. If it is to be an instrument of peace, governments must be willing to have recourse to peaceful procedures for settling

their disputes. I do not say that an institution like the United Nations cannot be more than its constituent parts. I think experience has already taught us the contrary. But I do say that there cannot be an excessive disparity between the pace of progress of the United Nations as an international instrument and the pace at which its member governments are prepared to move forward towards a sensible world order.

The United Nations record in the matter of peace keeping illustrates the predicament. It is a record which I do not think I need to rehearse before an audience such as this. Suffice it to say that, in innumerable situations over the past 20 years, the United Nations has been able to make its influence felt for peace. It has been able to insulate situations of conflict and to help lay the basis for peaceful accommodation. That process is still going on in a number of areas from Korea to Cyprus.

We in Canada have looked upon the development of an effective United Nations capacity to keep the peace as vital and we have done what we could to support and sustain it. But a turning-point has now been reached. The whole basis of the United Nations peace-keeping role has come under review, and we cannot yet predict what the outcome of that review will be. It is my firm hope that the course we have charted in this matter of peace keeping will not be reversed. Our own efforts will certainly be bent in that direction.

Meanwhile, in at least two situations of actual armed conflict, the United Nations has not been able to play the part it should have been playing. Of course we are all aware of the factors which have made a United Nations intervention in one of these situations impossible and placed considerable limitations upon its effectiveness in the other. Nevertheless, I have said -- and I say it again today -- that this must be a matter of deep regret to all those who are concerned about the maintenance of peace and security in the world.

In saying this I do not want to be thought unrealistic. I appreciate the limitations within which the United Nations must necessarily operate in prevailing circumstances. But it is a part of realism, I think, to recognize that, in the world as it is constituted today, there are certain responsibilities in respect of the maintenance of peace and security which can best and most safely be assumed by the international community acting through a collective instrument. And I should go on to say that it is also a part of realism to recognize that, if the United Nations were to be crippled in one of its most important functions, its influence would then inevitably be diminished over the whole range of its other responsibilities.

I have spoken of Canadian support for the United Nations as an instrument of peace. If we are to be candid, we must recognize that Canadian support for the United Nations has also been forthcoming because, by and large, it has acted as we would have wished it to act. We have experienced no issues like Suez, Hungary, the Congo, Kashmir, or apartheid on which United Nations action has cut across our national objectives. I should hope that, even if that had been the case, our support of the United Nations would have continued undiminished. But it has not been the case. The course followed by the United Nations has been in line with what I may call our enlightened national interest. In associating ourselves with its activities and respecting its resolutions we have gained much and lost little. I should like to think that this assessment is one to which the middle

and smaller powers in the world could generally subscribe. For the United Nations has almost certainly enhanced the opportunities of this group of powers to bring their views and their influence to bear on important international issues.

But the face of the United Nations is changing. In saying this, I do not have in mind so much the very substantial increase in the membership of the United Nations, which has expanded from 51 founding members to 114 today. What I do have in mind is that the problems and preoccupations of this new membership are different from those of the founding members. And, if the United Nations is to attract the full commitment of the new nations, I suspect that we shall have to arrive at a new balance in our conception of what the United Nations is and what it should be doing.

Among the founding members there has been a tendency to look upon the United Nations as primarily an instrument of security and stability in the world. Now I am not saying that security and stability are not of direct interest and concern to the new nations. But they are not the only attributes of world order which are of concern to them. We must remember that these new nations have emerged into a world which they do not regard as being fully responsive to their aspirations. On the contrary, they regard it as a world in which social injustice and economic inequity are far more prevalent than they should be. They are looking for change -- peaceful change if possible, but change nevertheless. And they look upon the United Nations as the rightful instrument of change.

In a recent article, Mr. Adlai Stevenson put this argument as cogently as I think it can be put:

"The world has known periods of relative peace and order before. Always the order was assured by a system designed to preserve the status quo. And this is precisely why the system of order broke down -- because the status quo is indefensible in the long run. What the world needs is a dynamic system or order -- a system capable of bringing about not just a precarious halt to hostilities but a curative resolution of the roots of hostility. This is to say that a dynamic system of order must be one which helps parties to a dispute to break out of rigid stalemates, to adapt to new times, to manage and absorb needed change."

This, in essence, is what the new nations are asking for. They argue that peace and prosperity are two sides of the same coin -- that we cannot reasonably expect to achieve real peace or real security in a world in which two-thirds of the human race are living at the margins of mere subsistence. I suggest to you that this is an argument which we cannot afford to leave out of account. It is an argument that must find full reflection in our policies as regards the United Nations if we want those policies to be relevant to the realities of the world around us.

For my part, I am convinced that the problems of peace and prosperity must be tackled as part of the same problem. I made this the keynote of my address to the General Assembly last December. Since then, we have been looking closely at the part Canada should be playing in the United Nations in the face of the shifting priorities and preoccupations of an overwhelming majority of its member states.

I am sure all of you have been struck, as I have, by the fact that, in the two great current crises (in Vietnam and in the Dominican Republic), the need has been acknowledged for the injection of significant economic resources as one means of restoring long-run stability. I have made it clear that Canada would play its full part in carrying forward the tremendous task of economic development in Southeast Asia. And I also indicated, in the House of Commons last week, that we should be prepared to consider whether there is a part for Canada to play in what will inevitably be a long and difficult process of rehabilitation in the Dominican Republic.

But there is surely a lesson to be learned from all this. And the lesson, it seems to me, is this: in a world which is so unevenly divided into areas of affluence and poverty, a world in which whole societies are undergoing radical transformation, situations of crisis are bound to occur. It is right for the world community to develop the machinery it has for containing those situations and bringing them under control. But it is also indispensable for the world community, in the longer run, to mobilize the immense resources at its command to deal with the sources of crisis, to see that the expectations of men and women the world over for a better life in larger freedom do not turn into frustration and disenchantment. That, too, is a matter of enlightened national interest for us, and I should think it is something that is vital to the whole future of the United Nations.

Here in Canada, as in the United States, we have declared a war on domestic poverty. We have done that because we have realized that the energies and the loyalties of our people cannot be properly harnessed to the task of nation-building in circumstances where there are great gaps in incomes and opportunities. If we are trying to harness the energies and the loyalties of the new nations to the concepts of international law and order, and of an international community, the time has surely come to extend our approach to the international plans.

I must now summarize the issues facing the United Nations as I see them:

First, it is essential that the United Nations be restored to solvency. This calls for an equitable solution to the present financial crisis. We are prepared to make our contribution to such a solution.

Second, we continue to attach the highest importance to the United Nations as an instrument of international peace and security. We shall do our utmost to help preserve the capacity of the United Nations to intervene effectively in the cause of peace. We are seeking to achieve this by the adoption of broadly acceptable constitutional arrangements and by improvements in the efficiency of United Nations forces.

Third, we recognize that, in a changing world, the United Nations cannot remain immune from change. We recognize, in particular, that a majority of the members of the United Nations look upon it as an instrument for peaceful change. We must be prepared to embrace that conception and to see it reflected in our policies.

Fourth, there is an urgent need to press forward with the social and economic objectives of the Charter. This is what the new nations expect of us, because it reflects their own highest priorities. If we fail to meet those priorities, we run the risk of weakening their commitment to the United Nations. And the prospects of peace and security in the world will diminish because peace and security cannot be left to rest on a basis of social injustice and economic stagnation.

The groundwork of international co-operation has now been laid. Over the past 20 years, the United Nations system has served as its main focus. If we believe that international co-operation is relevant to an interdependent world, if we believe that peace and prosperity are indivisible, if we believe that all nations have an interest in the delegation of some measure of responsibility to the international community acting in concert -- then we have no option but to persevere on the course we have charted. This means that we must strengthen the United Nations in all possible ways. We must make it responsible to the concerns of all its members. We must extend its relevance to new problems and new preoccupations. We must continue to keep before us the goal of universal membership. That is the message I would leave with you this evening. That is the message I would want you to carry to all those who have the future of the United Nations at heart.

S/C



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 65/18

NEW WORLD, NEW PROBLEMS

An Address by the Honourable Paul Martin, Secretary of State for External Affairs, to the Canadian Manufacturers Association, Toronto, June 8, 1965.

The Greek philosopher Heraclitus is credited with the saying that "all things flow". He was the first to identify the nature of things with change.

Of course, change goes on all the time. But I take it that that is not quite what you had in mind when you asked me to speak about a "new world" giving rise to "new problems". And I think you were right in suggesting that what we are confronted with in our day goes beyond the traditional conceptions of change.

I suppose that man has always looked towards progress, towards a gradual betterment of his condition. But what is new -- as James Hester, the President of New York University, recently put it -- is that "the expectation of change -- rapid, revolutionary change -- is becoming part of our frame of mind". What is new are the tensions and the ferments that go with the expectation of dynamic change in our lifetime.

And so, if we look at the world around us, we can genuinely say that it is a "new world". It is also a paradoxical world. In one sense, we can say that the world that matters has expanded. Of course, as Arnold Toynbee said in one of his volumes, "the West has never been all of the world that matters". Nevertheless, it is a fact that, for many centuries, the West was pretty well the only part of the world that entered into our practical concerns. That is no longer the case.

In another sense, we can say that we live in a contracting world. A world in which there has not only been a virtual "eclipse of distance" but also a tremendous compression in the scale of time. A world in which the whole pace of experience has been quickened. A world in which communication is nearly instantaneous and in which knowledge and ideas are disseminated with a rapidity unprecedented in history.

This revolution in communications has had the effect, as James Killian put it so well in a recent essay, of "making the entire human community an 'interacting whole', a global neighbourhood, wherein almost all people find themselves involved together, their aspirations mutually stimulated and amplified, and their tragedies, triumphs ... and anxieties transmitted to all".

In that, perhaps, lies the resolution of the paradox of which I spoke a moment ago. In the process of contraction, the whole world has come within the focus of meaningful reality.

Time and space are not the only elements over which our control has been greatly enhanced. Almost wherever we look, whether it be the conquest of outer space or the great advances in medicine or the release of power from the atom or the control of the processes of production by automation, science and technology have enabled us to increase our mastery over the human environment. They have unlocked vast new promises and opportunities which have never before been within the grasp of man.

In short, change within the last generation or so has been on such a spectacular scale that we can fairly speak of living in a "new world". But change has also, inevitably, brought in its wake "new problems". And it is important -- as Senator Fulbright reminded us in his excellent little book -- that we tackle these "new problems" on the basis not of old myths but of the new realities.

I should like to begin by saying something about the realities of power in the modern world. We were used to think of power as an aggregate of certain factors -- the dimensions of a country, the size of its population, the wealth of its resources. But those are not the ingredients of power today. Any country, once it has developed an independent nuclear capability with the means of delivering the weapons in its nuclear arsenal, has acquired power which does not necessarily bear any definable relation to either size or resources.

The nature of modern power rests in the capacity of a country to inflict an unacceptable degree of damage on an opponent. This presents us with another paradox. For it means that, as we are coming within the range of absolute power, absolute security recedes from the realm of practical possibility.

It also means that power on that scale has made war obsolete as an instrument of policy. It has done that because the application of such power is disproportionate to almost any policy objective we can conceive. As Henry Kissinger has argued, "a basic discontinuity is established when a statesman is compelled to risk tens of millions of lives instead of thousands, when his decision no longer involves the loss of a province but the survival of society itself".

Those, at least, are the assumptions that lie behind the conception of modern nuclear power as a deterrent. But this is a very tenuous basis on which to construct a system of international security, for two reasons. First, because this kind of power is irrelevant to most of the situations of conflict and instability with which we are confronted in the world today. And second, because the assumptions themselves on which the whole conception of the nuclear deterrent is based are not necessarily immutable.

I say that because the prospect of proliferation is always with us and we cannot be sure that the nuclear powers of tomorrow will form the same appreciation of the elemental risks inherent in the use of nuclear weapons as

the present nuclear powers have shown. This points up the need for early progress towards an agreement which would have the effect of arresting the further spread of independent nuclear capabilities. As I have recently suggested, such an agreement will probably have to form part of a wider complex of measures. It may have to include undertakings by the nuclear powers to reduce -- and, in due course, eliminate -- their own stockpiles of nuclear weapons. It may also have to include guarantees to non-nuclear powers in return for their agreement to forego the option of developing an independent nuclear capability.

But I should go on to say that, just as the prospects of security in the present-day world do not lie in a primary reliance on the instruments of military power, so disarmament itself can only go part of the way towards solving the security equation. As I see it, there is a concurrent need not only to develop international machinery for maintaining peace and security but to expand the whole range of positive efforts which are directed at strengthening -- as David Lilienthal put it some years ago -- "the sense of community and commonwealth of interest in the world in which lies the real hope of making weapons less relevant".

This sense of community of interest is another significant feature of the "new world" we are discussing. It is sometimes suggested that it was something that developed logically and sensibly in the wake of two destructive world wars. But it is also, of course, a direct result of changes in the whole configuration of the world in which we live. Whether we look at the facts of security, whether we look at the facts of technology, or whether we look at the facts of social and economic development, we arrive at the same conclusion. And that conclusion is that we are becoming increasingly interdependent.

This interdependence finds expression in a degree of international organization which is surely unprecedented in human history. Over the past 20 years we have co-operated internationally over the whole range of human concerns and we have created the machinery to serve as the focus of that co-operation. We have co-operated to preserve peace and security; we have co-operated to meet the problems of poverty, hunger and disease; we have co-operated to spread the benefits of science and education; we have co-operated to define and defend the rights of man. In short, we have created a whole new dimension in international relations.

The cornerstone of this structure has been and continues to be the United Nations. At this very moment, the United Nations is going through a serious crisis. It is a crisis which has developed over the matter of peace keeping. In essence, however, it is a political and constitutional crisis. Its outcome will be important for the whole future direction of the United Nations.

What concerns me in the present context are the implications of this crisis for international organization as such. I am particularly concerned that we should not draw false conclusions on the basis of false premises.

In a recent article, Professor Hans Morgenthau suggested that there was an "insoluble contradiction between national sovereignty and an effective international organization". This is not a premise to which I can wholly subscribe. Nor did the framers of the United Nations Charter subscribe to it. On the contrary, they explicitly assumed that the United Nations would be "based on the principle of the sovereign equality of all its members".

In essence, therefore, the United Nations is and remains an instrument of governments. If it is to be a dynamic instrument, as the late Dag Hammarskjöld saw it, this will depend on the continuing commitment of its member governments to a dynamic world order. On the face of it, I can see nothing irreconcilable between such a commitment and the conception of national sovereignty. Indeed, I should think that if the facts of interdependence are realistically accepted a dynamic world order becomes a matter of enlightened national interest to all nations.

There are those who feel, with Senator Fulbright, that "the sovereign nation can no longer serve as the ultimate unit of personal loyalty and responsibility" and there can be no doubt that this conception has a firm basis in fact. At the same time, we cannot discount the continuing hold which nationalism has on men's minds. Indeed, Senator Fulbright himself regards it as "the most powerful single force in the world politics of the twentieth century".

I am not here concerned with an assessment of nationalism as such. Certainly, we cannot say that we disparage the resurgent sense of national identity and interest in Eastern Europe for example. Nor can we discount the contribution which nationalism is making to the nation-building process in scores of new countries. These countries have been propelled to independent nationhood on the current of nationalism and nationalism is now helping them to achieve cohesion by developing a body of national attitudes, institutions and ideals.

What we have to recognize, I think, is that nationalism is a source of energy which can be tapped for good or for ill. So long as it does not cut across the development of a sensible international system of order and security, so long as it does not inhibit international co-operation in the attainment of common ends, so long as it does not exclude a broadening of the frontiers of loyalty -- there is no intrinsic reason why nationalism should not be harnessed to the "new realities".

Nationalism has been one of the forces at work in the essentially bi-polar world that took shape in the immediate post-war period. It has been one of the forces which have helped to bring about a greater diffusion of political and economic power in the world. We are having to take account of that diffusion in the North Atlantic partnership. We also know that the trend towards what is sometimes called "polycentrism" has had its impact on the Soviet world. And it has substantially altered the conditions of non-alignment, which has been the course of policy adopted by most of the new nations on attaining independence.

The non-aligned countries are deeply concerned about the prospect of a new division of the world. As President Nasser pointed out at the Cairo Conference last autumn, the pattern of division that is now emerging is between "a bloc of the poor and a bloc of the wealthy; a bloc of the advanced nations and a bloc of the developing nations; a bloc of the North with the rights of prosperity and a bloc of the South living in deprivation; a bloc of whites and a bloc of coloured". If we are honest with ourselves, as we must be, we are forced to acknowledge that this is something that is already in the process of happening. But it is a process which we cannot allow to go very much further.

Over the past 20 years, some 60 new countries have entered upon the world stage. We sometimes tend to assume that, when these new countries have achieved their independence, the international community can safely divest itself of responsibility for their well-being. This is a false assumption. It is false because independence does not in any perceptible way diminish the problems these countries are facing. On the contrary, more often than not, independence has accelerated the pressure for change and heightened impatience with the pace at which it is possible for the new countries to move forward.

Barbara Ward has put this point as well as it can be put:

"... let us have no doubt about this. So far, we have been living through the more comfortable phase of transformation in the under-developed areas; we have seen them during a time when their concentrated effort to get rid of colonialism gave them political unity and a sense of national purpose which they may well lack now that independence is achieved. Now that they are running their own affairs, all the grim problems of life face them in the raw: their bounding birth-rates, their lack of capital, their desperate poverty and, above all, the rising expectations of their own people. Every leader who has led his nation to the overthrow of Western influence or colonial rule is now faced with the stark problem: 'What next'?"

The main responsibility for providing an answer to that problem will, of course, continue to lie with the new countries themselves. But the international community also has an abiding responsibility to help these countries carry forward the process of development, to help close the widening gap between affluence and poverty. We have accepted that kind of responsibility in our own communities and societies and have devised the means for discharging it. Surely, in a contracting world, it makes good sense for us to accept an extension of that responsibility to those of our global neighbours who are in need of help.

This is something that is in our own enlightened self-interest. What we have to realize is that the development process in the new countries involves immense dislocations in the whole structure of society. We also have to realize that people in these countries are aware that conditions of life can be changed in this generation if the will and the resources to bring about those changes are effectively mobilized. In such a situation, failure to make visible progress will inevitably lead to frustration.

If we fail to help the governments of the new countries to meet the urgent aspirations of their peoples, we must accept the fact that others will exploit our failure to do so. And we must also, I think, accept the fact that we shall not be able to construct any viable system of international peace and security on a basis of social injustice and economic stagnation over a large part of the world.

Much is already being done by way of meeting the challenge that is represented by poverty in the world around us. In particular, substantial resources are being channelled each year by way of aid into the development efforts of the new countries. But we have to recognize that aid - however important - is only one part of the answer. We have to recognize that these countries continue to rely on their own export earnings for the bulk of their foreign-exchange requirements. It is right, therefore, that international attention should now be focussed more and more on the contribution which trade can -- and must -- make to the development process.

The new countries argue that, if trade is to be able to make its full contribution, the rules of trade must be reviewed in the light of their relevance to the problem of development. They feel that the present rules do not make adequate allowance for the lack of economic power of the developing countries. They say that, in our own internal arrangements, we have accepted the principle that fairness demands that, in certain cases, some should receive more than the share due to them under the strict laws of the market and that others should receive less. They would like to see that principle applied in the international context. They look to a new international division of labour which would be more responsive to their own special needs.

A good beginning has now been made in that direction. But more will undoubtedly need to be done for the new countries in the years ahead. And I should ask you to consider whether this, too, is not in our own long-term interest. If we accept the fact that high levels of production and employment depend on the existence of adequate demand, can we really afford to ignore the millions upon millions of disenfranchised consumers in the developing regions of the world whose potential demand upon our productive facilities remains to be unlocked? Surely, the realities of interdependence operate in this area as they do in others. Surely they have taught us that any depressed area, anywhere, is "a drag on the prosperity and well-being of every country in the world".

That concludes my conspectus of the new world and its problems. I need hardly say that it has immensely complicated the matter of policy-making. This is because a changing world demands a much greater flexibility of policy than ever before; because the significant area to which policy must be relevant has immeasurably expanded; and because the problems that are the concern of policy in this age of rapid advance on all fronts are themselves becoming highly complex and sophisticated. As I yield the general ground I have covered in my introduction to this conference, I look forward to the contributions of my colleagues who will be looking at some of these problems in sharper focus.



Gov. Doc
CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/19

PREVENTING THE SPREAD OF NUCLEAR ARMS

Statement issued on August 17, 1965, by the Secretary of State for External Affairs, the Honourable Paul Martin, on the Occasion of the Tabling of Western Proposals for a Non-Proliferation Treaty in the Eighteen-Nation Disarmament Committee.

Today, August 17, proposals for a treaty on the non-proliferation of nuclear weapons are being tabled at the Eighteen-Nation Disarmament Committee in Geneva by the leader of the United States delegation. These proposals carry the general support of the Western countries represented in the ENDC. They derive from discussions and consultations over a period of months among a number of governments, in which Canada has played an active part. The Canadian Government supports these proposals and commends them to the serious attention of all governments and peoples and, more particularly, to those governments represented in the disarmament discussions at Geneva.

Canada has for some time advocated an early beginning of serious negotiation toward international action to halt the spread of nuclear weapons. We prepared a draft treaty of our own for the purpose of discussion with our allies. In this way we intended to stimulate thought through friendly consultation with other governments and so help to encourage progress in this important field. Since the resumption of the disarmament talks on July 27, there has been continuous and intensive discussion among the Western representatives at Geneva. These discussions have resulted in the new proposals for a non-proliferation treaty put forward by the United States representative today.

It is gratifying that a number of ideas which the Canadian Government has been advancing over the past several months are reflected in the draft treaty which has now been tabled. The central one is a non-dissemination formula based on the Irish resolution of 1961, which called upon all states to conclude an international agreement to refrain from relinquishing control of nuclear weapons and from transmitting information necessary for their manufacture, with reciprocal obligations for the non-nuclear powers. There is also a provision for co-operation by signatories in applying international safeguards to all their peaceful nuclear activities.

Progress in the field of disarmament is a major policy objective of the Canadian Government. I am encouraged that it has been possible to reach agreement among the Western countries at Geneva on proposals which offer the prospect of some genuine advance in the vital field of non-proliferation. Clearly, general agreement on an international treaty is not yet in sight.

Long and difficult negotiations still lie ahead. However, Canada is prepared to join with other nations in a determined effort to achieve progress with a sense of the urgency which this important issue demands. During recent days, there have been some possible indications of greater flexibility in the attitude of the Soviet Union towards negotiation of a non-proliferation treaty. It is to be hoped that these indications will be translated into positive achievements. We now appeal to all governments, and particularly to the Communist powers, to give the earliest and the most careful consideration to the proposals made by the Western side.

ANNEX I

WESTERN NON-PROLIFERATION TREATY TABLED
AT EIGHTEEN-NATION DISARMAMENT COMMITTEE,
AUGUST 17, 1965

The Parties to this Treaty,

Desiring to promote international peace and security,

Desiring in particular to refrain from taking steps which will extend and intensify the arms race,

Believing that the further spread of nuclear weapons will jeopardize these ends,

Recalling that Resolution 1665 (XVI) of the General Assembly of the United Nations urges all states to co-operate for these purposes,

Desiring to achieve effective agreements to halt the nuclear arms race, and to reduce armaments, including particularly nuclear arsenals,

Reaffirming their determination to achieve agreement on general and complete disarmament under effective international control,

Have agreed as follows,

ARTICLE I

1. Each of the nuclear states party to this Treaty undertakes not to transfer any nuclear weapons into the national control of any non-nuclear state, either directly, or indirectly through a military alliance; and each undertakes not to take any other action which would cause an increase in the total number of states and other organizations having independent power to use nuclear weapons.

2. Each of the nuclear states party to this Treaty undertakes not to assist any non-nuclear state in the manufacture of nuclear weapons.

ARTICLE II

1. Each of the non-nuclear states party to this Treaty undertakes not to manufacture nuclear weapons; each undertakes not to seek or to receive the transfer of such weapons into its national control, either directly, or indirectly through a military alliance; and each undertakes not to take any other action which would cause an increase in the total number of states and other organizations having independent power to use nuclear weapons.
2. Each of the non-nuclear states party to this Treaty undertakes not to seek or receive assistance in the manufacture of nuclear weapons, or itself to grant such assistance.

ARTICLE III

1. Each of the states party to this Treaty undertakes to co-operate in facilitating the application of International Atomic Energy Agency or equivalent international safeguards on all peaceful nuclear activities.

ARTICLE IV

In this Treaty:

- a) "nuclear state" means a state possessing independent power to use nuclear weapons as of (date).
- b) "non-nuclear state" means any state which is not a nuclear state.

ARTICLE V

1. This Treaty shall be open to all states for signature. Any state which does not sign this Treaty before its entry into force in accordance with Paragraph Three of this Article may accede to it at any time.
2. This Treaty shall be subject to ratification by signatory states. Instruments of ratification and instruments of accession shall be deposited with the Governments of the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the United States of America, which are hereby designated the depositary governments.
3. This Treaty shall enter into force on the deposit of instruments of ratification by ... (fixed number of) governments, including those of the United Kingdom of Great Britain and Northern Ireland, the Union of Soviet Socialist Republics and the United States of America.
4. For states whose instruments of ratification or accession are deposited subsequent to the entry into force of this Treaty, it shall enter into force on the date of deposit of their instruments of ratification or accession.

5. The depositary governments shall promptly inform all signatory and acceding states of date of each signature, date of deposit of each instrument of ratification of and accession to this Treaty, and date of its entry into force.

6. This Treaty shall be registered by depositary governments pursuant to Article 102 of the Charter of the United Nations.

ARTICLE VI

1. This Treaty shall remain in force indefinitely subject to the right of any party to the Treaty to withdraw from the Treaty if it decides that extraordinary events related to the subject matter of the Treaty have jeopardized the supreme interest of its country. It shall give notice of such withdrawal to all other signatory and acceding states and to the United Nations Security Council three months in advance. Such notice shall include a statement of the extraordinary events it regards as having jeopardized its supreme interest.

2.years after entry into force of this Treaty, a conference of parties may be held at a date and place to be fixed by agreement of two-thirds of the parties in order to review operation of the Treaty.

ARTICLE VII

This Treaty, of which the Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited in the archives of the depositary governments. Duly certified copies of this Treaty shall be transmitted by the depositary governments to governments of the signatory and acceding states.

In witness whereof the undersigned, duly authorized, have signed this Treaty. Done in triplicate at the City of, the..... day of, One Thousand, Nine Hundred and Sixty-Five.

ANNEX II

IRISH RESOLUTION

1665 (XVI). Prevention of the wider dissemination of nuclear weapons.

The General Assembly,

Recalling its Resolutions 1380 (XIV) of 20 November 1959 and 1576 (XV) of 20 December 1960,

Convinced that an increase in the number of States possessing nuclear weapons is growing more imminent and threatens to extend and intensify the arms race and to increase the difficulties of avoiding war and of establishing international peace and security based on the rule of law,

Believing in the necessity of an international agreement, subject to inspection and control, whereby the States producing nuclear weapons would refrain from relinquishing control of such weapons to any nation not possessing them and whereby states not possessing such weapons would refrain from manufacturing them,

1. Calls upon all States, and in particular upon the States at present possessing nuclear weapons, to use their best endeavours to secure the conclusion of an international agreement containing provisions under which the nuclear States would undertake to refrain from relinquishing control of nuclear weapons and from transmitting the information necessary for their manufacture to States not possessing such weapons, and provisions under which States not possessing nuclear weapons would undertake not to manufacture or otherwise acquire control of such weapons;

2. Urges all States to co-operate to those ends.

1070th Plenary Meeting,
4 December 1961.

s/c



Gov. Doc
CAN
E

CANADA, EXTERNAL AFFAIRS,
DEPARTMENT OF
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/20

TWENTY-FIFTH ANNIVERSARY OF OGDENSBURG DECLARATION

Address by the Honourable Paul Martin, Secretary of State for External Affairs, on the Occasion of the Twenty-fifth Anniversary of the Ogdensburg Declaration in Ogdensburg, New York, August 18, 1965.

We are gathered in Ogdensburg today to commemorate the historic meeting which took place here 25 years ago. That meeting between President Roosevelt and Prime Minister King represents - and will always represent - a watershed in the relations between our two countries. For it marked the beginning of our active partnership in the defence of this North American continent which we share between us.

We pride ourselves on the thousands of miles of undefended border that demarcate without dividing our two countries. But we sometimes forget that this has not always been so. We sometimes forget that, as far as Canada is concerned, much of the history preceding our Confederation as a nation was punctuated by fear of invasion from the United States. We sometimes forget that, to the extent that Canadians in those days were concerned about defence, they were concerned about maintaining their own political identity against any possible threat from the United States.

That is one perspective from which we must look at the Ogdensburg meeting. It is the perspective of a past which may have shrunk so far back into history that it seems unreal to all but historians. But it is a past, nevertheless, which we cannot leave out of account if we want to take the real measure of the progress we have made in developing a sane and sensible pattern of continental co-existence. Nor must we forget that it took another 70 years or so - a period of relative withdrawal and isolation for both our countries - before the events which were then taking shape launched us on the course that was first charted at Ogdensburg.

The meeting at Ogdensburg which we are today commemorating had two important results. First, it put an end to any thoughts there may have been on either side of the border that we should - or could - continue independently to plan and conduct each our own defence against the threat of the forces which were then ascendant in Europe. We in Canada - caught unprepared as were most of the Western allies - had committed almost all our slender resources to the battle in Europe, leaving little behind to defend our shores. The United States, caught off guard much the same as we were, was apprehensive that the enemy might obtain a foothold in Canada, thereby posing a direct threat to the North American continent as a whole.

In these circumstances, we were driven to recognize that our defence was indivisible. The recognition of that principle marks the real significance of the Declaration to which this city of Ogdensburg has lent its name. And it is a principle which - enlarged to conform to the changing configurations of the world in which we live - continues to this day to govern our approach to the problems of defence.

The second result of the Ogdensburg meeting was the setting up of a Permanent Joint Board on Defence. For many years, this was to serve as the main focus for co-operation between our two countries in the realm of defence. If we scan the Ogdensburg Declaration carefully, we find that it has, in fact, only one operative sentence. And that is the sentence which says that "it has been agreed that a Permanent Joint Board on Defence shall be set up at once by the two countries". And so, in this unspectacular way, Canada and the United States marked the transition from friendly association to positive alliance.

The Permanent Joint Board on Defence has taken its firm place in the institutional pattern of relations between our two countries. There were those, in the early years, who looked upon it as essentially a creature of war which would not long survive the cessation of hostilities. But events proved them wrong. For, when our two governments decided in 1947 that military co-operation between us would continue, they also decided that, within the framework of that co-operation, there would continue to be an important part for the Board to play. Thus the Board has served to confirm the confidence of the men of Ogdensburg who, from the outset, invested it with the title of permanence.

The Board, then, is the real celebrant of this anniversary occasion. The Prime Minister of Canada has, therefore, asked me to convey this message to the members of the Board:

"Throughout its quarter-century of dedicated service, the Canada-United States Permanent Joint Board on Defence has symbolized the spirit of friendly co-operation which characterizes relations between our two countries. Created to meet the requirements of wartime, it has continued to fulfil a valuable role in North American defence. On this, its twenty-fifth anniversary, I congratulate the Board and wish it continued success."

I am glad to convey this message to Mr. Dana Wilgress, one of the present joint Chairmen, and, through him, to Ambassador Matthews, who unfortunately could not be with us today. I also want to pay tribute on this occasion to the many eminent personalities on both sides who have lent their prestige to the work of the Board. I must resist the temptation of citing them by name. But, being on the soil of the State of New York, I may be forgiven for recalling that the first United States Chairman of the Board was Fiorello LaGuardia, a man who will not soon be forgotten, especially by New Yorkers. And perhaps I may also recall that one of the early members on our side was the then Lieutenant-Colonel Vanier, who is today the distinguished Governor General of Canada.

Over the past 25 years, the perimeters of defence have changed beyond all recognition. The advantages of dimension and distance have in large measure been eclipsed. The time scale of any potential attack has been compressed to a fraction of what it once was. The destructive power we are able to unleash has compelled us to abandon the very notion of war except in legitimate defence against aggression. And the cost of effective defence today is such that few countries in the world are able to shoulder it on their own.

The changes that have taken place have served, if anything, to confirm the principles to which we subscribed at Ogdensburg. These principles are as valid today as when they were first formulated. If our defence was recognized to be indivisible then, it is surely no less indivisible in the circumstances of the present day. The development of nuclear weapons and the means to deliver them accurately over intercontinental distances has placed North America, for the first time, in the front line. Indeed, there is every likelihood that, in the unthinkable event of war, we should bear the brunt of the first devastating attack.

Against this new and terrible threat it was already in our common interest to plan our defences jointly. And so, throughout the 1950s, we planned and built the northern radar lines and fighter defences against the threat from the air. It could not have been otherwise. Canada could not have built these costly defences alone. And the United States could not have been defended without them.

It was part of this same recognition that our defences could only be conducted in common which led us, in 1957 and 1958, to integrate our air-defence forces in a single command under NORAD. The danger of attack by strategic bombers is now giving way to the even more terrible threat from intercontinental missiles. But, whatever the changes in the strategic situation as long as the threat to the security of North America exists it will clearly remain in our mutual interest to co-operate intimately in the defence of the continent we share. It should be recognized, of course, that in defending North America we are protecting the strategic deterrent of the NATO alliance. We are thus helping to guarantee that measure of stability between the leading powers which is our best hope for preserving peace until an effective programme of international disarmament can be realized.

Just as the military defence of North America has been recognized as a single problem, to be approached jointly, so has the military industrial base of our two countries come to be regarded as a single entity. That is as it should be. The cost of developing modern weapons is enormous. Only a handful of highly industrialized countries can today afford to maintain an independent productive capacity for the full range of weapons required in modern warfare.

We in Canada have long purchased very substantial quantities of military items in the United States. In particular, we have purchased from you costly and sophisticated equipment which it would not be economical for Canada to try to produce itself. Unless these purchases are balanced by comparable United States purchases from Canada, they would sooner or later

impair our ability to contribute fully to our common effort. I am glad to say that this principle was accepted in the Canada-United States Defence Production Sharing Programme which was inaugurated in 1959 and which has helped greatly to open the United States military market to the Canadian defence industry.

In the final analysis, however, we cannot look at the Ogdensburg Declaration from the perspective of North American defence alone. We must look at it from the perspective of the total relation between our two countries.

Canadians tend to be preoccupied with that relation. I know that is something which Americans find it difficult to understand. But there is really no parallel in the American experience to compare with the impact of the Canadian-American relation on virtually every sector of our national life.

I think there are two aspects of the relation between Canada and the United States which, more than any others, are a cause for Canadian preoccupation. The first is the sheer disparity in power between our two countries. We sometimes like to identify that disparity in terms of population and physical wealth, but that, of course, is only part of the story. The significant fact is not only that the United States is today a great power by any standard but that the impact of power in the modern world tends to be vastly more pervasive than in any previous period of history.

Canadians, of course, welcome the fact that the United States enjoys this position of leadership, and are not preoccupied by the disparity of power as such. What preoccupies us are the very great effects which that disparity can have on Canadian interests where they diverge from yours.

The second point of preoccupation for Canadians is the effect of your preponderant influence on the development of Canada as a distinct and separate entity on the North American continent. This preoccupation has, of course, been with us from the days of our founding fathers. It is part of the process of Canadian nation-building. No doubt it has been magnified by the vast range of contacts and exchanges between us which modern communications have made possible.

But, when all is said and done, the problem of Canadian development is a matter for Canadians to solve. For my own part, I suspect that we are moving steadily closer to solving it. I am confident, in particular, that the great debate over cultural and constitutional matters which is engaging Canadians at this very moment will serve to strengthen our national purpose and deepen our sense of identity.

The whole range of relations between us has recently been surveyed by two of our distinguished former ambassadors. They undertook their survey at the request of the President of the United States and the Prime Minister of Canada. Their objective was to formulate a set of principles by which our two countries might be guided in giving practical effect to our partnership, and their study throws a most interesting light on the matters I have been discussing.

It is inherent in our partnership, as is indicated in this study, that we should seek to orient our policies in broadly the same direction. But there are levels of divergence which we should regard as not only permissible but desirable if we are each to play our distinctive parts in discharging our international responsibilities. Where there are differences between us, we shall naturally be concerned to minimize their impact on our total relation. But I do not think it is in the tradition of either our countries or in the long-run interest of our partnership that we should be afraid of putting our policies to the test of honest dialogue conducted with restraint and responsibility.

The conception of partnership is central to our relations. Twenty-five years ago, here at Ogdensburg, a new dimension was added to that partnership. In the intervening years, our partnership has broadened beyond the confines of this continent. We are allies in NATO. We are joined in the expanding family of the United Nations. We are engaged together in the great enterprises aimed at achieving world peace and prosperity. On this anniversary occasion we can, I think, affirm confidently that a vigorous and vital partnership will continue to be part of the prospects before us.

s/c



CANADA

Gov. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

CA 16
- 581

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/21

EDUCATIONAL AID TO FRENCH-LANGUAGE NATIONS

An Address by the Honourable Paul Martin, Secretary of State for External Affairs, at a Briefing Conference for Canadian Teachers (French Language) Proceeding Abroad, University of Montreal, September 3, 1965.

May I begin by greeting all of you -- teachers and families -- who are just about to leave on such an important assignment. It is a pleasure for me to be with you and, apart from speaking to you, I look forward to meeting as many of you as possible afterwards.

I understand that one of the chief purposes of the briefing programme in which you have been participating has been to enable you to see your assignment in the proper perspective. This is not just a matter of knowing beforehand some essential facts about the countries to which you will be going or about the arrangements for maintaining you there. I should like, as the Minister for External Affairs, to talk to you about some broad perspectives of national policy.

I am not, of course, thinking only of your work in the immediate future while you are abroad on these special assignments. Your position as educators in Canada and your current involvement in a project of considerable importance to Canada will enable you to appreciate the significance of these broader considerations.

First, let me mention some points about our assistance to French-speaking nations in Africa. This is of particular interest to you and has been a subject of discussion in Quebec generally. Since these nations became independent, Canada has co-operated actively in their social and economic development, particularly in educational development. There have been rapid and significant increases in this assistance, as in our aid programmes generally, in the past couple of years. Of 320 teachers who took part in projects overseas in the academic year 1964-65, 72 went to French-speaking countries, chiefly in Africa. During the coming academic year, 164 of a total of 540 will go to French-speaking countries, 14 of them in Africa and three in Southeast Asia.

This significant increase in activity is apparent also in the total funds allocated for such co-operative projects. In the first three fiscal years, \$300,000 was allocated to assistance for French-speaking Africa but, in November 1963, the Government decided to undertake a larger programme and, in the fiscal year 1964-65, \$4 million was committed to this area of the world. I am now glad to announce that, subject to Parliamentary approval, the Government plans to

increase its aid allocation to French-speaking Africa during the current fiscal year to a total amount of \$7.5 million. I am glad that this particular part of our aid programme is expanding at a higher rate than any other part.

There are fears expressed occasionally that the amount of aid is too small or that funds committed are not spent quickly enough. The Government has been very much aware, as is clear from its declaration of November 1963, of the necessity of expanding its aid programmes rapidly while maintaining the control and efficiency in actual operations which is essential. There has been marked expansion since that time, and it will continue. As I have mentioned on other occasions, the fact that the current allocation for French-speaking Africa is non-lapsing ensures that all funds committed to projects will be used.

I should add, since I have been speaking primarily about Canadian teachers going to Africa, that there are other points of particular interest to French-language teachers and to others here. Some of you are going to Southeast Asia, and it should be noted that the Colombo Plan covers assistance to French-language nations in that area too. We have tried within the framework of the Commonwealth scholarship scheme to interest as many overseas students as possible in the facilities for study in French available in Canada.

I am glad to note that, of the 1,800 students and trainees who came to Canada in 1964 under various parts of our aid programme, 500 were located in the Province of Quebec, the great majority of whom were studying in French. It is the policy of the Government to ensure that the bicultural nature of our country is reflected in all parts of our external policy and that the educational and cultural resources of our country are all used in the development of the most effective aid programme possible.

Now I should like for a moment to direct your attention to some closely related subjects. I have stressed the importance of perspective. I have started by referring to our activities in French-speaking Africa and in other areas involving the use of French in development aid because you will naturally have a particular interest in these points at the present moment. I must, however, refer briefly to other projects for co-operating with the developing countries, to the expansion of our activities generally in Africa and to our relations with the French-speaking world, whether in Europe, Africa or elsewhere.

There have been great changes taking place generally in aid programmes in recent years. These changes have been apparent in terms of financial allocations, geographical scope, the nature of the assistance and the involvement of individuals and agencies. In the past two years, funds voted for assistance generally have doubled in volume. In 1960, 83 Canadian teachers and advisers went abroad; in 1964 the figure was 545, and this year the figure will probably reach 650.

An increased emphasis on technical and educational assistance, the implementation of new loan and food-aid programmes, the extension of aid to African states a few years ago and the introduction in the past year of loans for Latin American countries have all added new dimensions to the earlier programme. The scope of current Canadian programmes and the efficiency of their execution have been commented on favourably by international agencies particularly concerned.

The motives and objectives of this policy of economic co-operation with developing countries are clear. We feel an obligation to assist the developing countries to deal with acute economic and social problems. We believe that more stable and peaceful international conditions will result from accelerated economic development. We believe that, in the long run, Canada, too, can benefit economically from the solution of these problems elsewhere.

In carrying out a programme on such a broad front, we must ask ourselves where and how we can make our contribution most effectively. As more nations became independent, as new requests were made to us, as fresh opportunities for effective action became apparent and as more Canadians became convinced of the need to act abroad, the scope of Canadian activities, whether governmental or private, expanded. I believe that our programmes are well-balanced and that, considering all factors of need, history or size on the side of the recipient country and of capacity for effective action on the side of the donor country, Canada, we are making an international contribution of steadily increasing value on a broad front. You who are about to leave for assignments in French-speaking Africa and Asia, your English-speaking colleagues who were at Macdonald College last week and all Canadians who are taking part in this great enterprise can feel a real satisfaction in what is being done.

I referred to our motives and objectives in entering into these co-operative ventures and stressed that the basic motive was the desire to help those most in need of economic development. Since this is the case, we do not impose conditions on our aid except the obvious one that it should really contribute to a permanent and significant improvement in economic conditions. We certainly do not lay down political conditions about internal affairs or the external policies of the country concerned.

There are, however, close connections between economic and political relations. Our interest in newly-independent African nations, their role in the United Nations and in the search for racial equality and peace, lead us in Canada to increasing contacts, which, in their turn, raise questions of economic assistance. In carrying out aid projects, we develop fresh interests and expand our relations in all fields. For this reason, in reviewing the subjects of most immediate interest to you in your assignment, I should like to say something about relations with Africa.

The importance of Africa in the contemporary world is clear. Thirty-two nations have achieved independence there since 1945 and their governments are playing a role of increasing significance both in the United Nations and in regional agencies such as the Organization of African Unity. Their desire to assert their own identity, coupled frequently with a desire to maintain a heritage of links with the older nations of the West, not least through the use of the French and English languages, is impressive.

It is the interest of all of us that African independence should be aided and strengthened and that African nations should be able to determine their own course, in accordance with their traditions and interests and to choose their associates freely. The energy and determination of African leaders in seeking better conditions and the cheerful courage, strength and ability of the African people all arouse the respect, interest and sympathy of Canadians.

We have considered it particularly important, therefore, to develop diplomatic relations with states in Africa. At present we have seven diplomatic posts and one trade commissioner's office in Africa and we maintain relations with a number of other states through dual accreditations. It is, of course, very important, that we should have our representatives stationed in Africa both for the general political purposes indicated and to ensure the proper functioning of our aid programmes.

For these reasons, it gives me particular pleasure to announce for the first time today that we have decided to open now a new embassy in Dakar, the capital of Senegal, where a number of you will be spending the next year. The embassy in Dakar, when it is opened, will help greatly to strengthen ties with Africa generally and will provide a third mission in French-speaking Africa, the other two being our embassies in Cameroun and Leopoldville in the Congo.

The expansion in our relations with Africa will continue during the next two years. We expect to be able to announce very shortly the opening of another post in addition to Dakar and then to open four more posts in the next two years. The speed with which we can implement this programme will, of course, depend on the availability of administrative resources and on our ability to recruit suitable bilingual personnel who can both operate effectively in this area and reflect the bilingual and bicultural nature of our Canadian society. This is a particularly important aspect of our current planning, as I shall mention later.

When this expansion is completed, we expect to have 13 diplomatic missions and one trade commissioner's office in Africa. Five of these would be in French-language countries, five in independent Commonwealth countries and four in other countries. Furthermore, because of multiple accreditations to nearby states, we shall be able to use staff from these missions to attend to Canadian interests of all types in most parts of Africa.

We have made a considerable tour of the world in considering aid programmes and missions in Africa. The last point on the overseas horizon to which I would refer this morning is France and, with her, other nations where French is spoken. Our economic interest in African nations where French is spoken overlaps another very important part of our external policy, that of relations with the French-speaking world generally and with France. Our first interest, so far as aid programmes are concerned, lies in the needs of the developing countries concerned, but we are glad when economic co-operation can be parallel to and even reinforce political and cultural interests, whether expressed in French about former French colonies or in English about Commonwealth countries. France is, of course, carrying out a very comprehensive economic and cultural programme in Africa, and we are glad to consult with the French about the way in which our efforts can be related to theirs.

Shortly after the declaration on increased aid in November 1963 which I referred to earlier, the Government took important steps to develop closer relations with France in all fields. The visit which the Prime Minister and I made to President de Gaulle and his ministers at the beginning of 1964 inaugurated what I am sure will be considered a new era in such relations.

The consultation between the President and Prime Minister has provided the stimulus and set the framework for consultations at many levels on many subjects since.

I am glad to have had the opportunity to consult with M. Couve de Murville on four occasions, since I have found these meetings of great significance for our two countries. We expect to have economic consultations at a senior level soon. Only a few days ago we had the pleasure of welcoming French members of Parliament to Ottawa before they commence their visit to many parts of Canada. They will create permanent connections with their Canadian colleagues.

I have always held strongly to the belief that Canada's foreign policy should reflect the bilingual and bicultural character of our country. I have already mentioned some of the ways in which I think we are making substantial progress in this direction. Canada, it seems to me, has a unique opportunity in relation to the developing countries of Africa and of Asia which in the past few years have become independent but have a heritage of British or French educational institutions. It is, therefore, incumbent upon us to take the opportunity that our history has given us at this stage in world affairs and to do all that we can to assist those developing countries in which English or French is the second language.

In addition, we must strengthen and develop our relations with the French-speaking countries of Europe, first of all with France itself but also with Belgium and Switzerland. For the past two years, the Government has been rapidly increasing resources devoted to promoting cultural and educational exchanges with the French-speaking countries of Europe. On the basis of the promising start made last year with the allocation of \$250,000, the Government has recently decided to spend during the current fiscal year \$1 million on these exchanges, most of it to bring students and some professors from the great French-speaking universities of Europe to our universities. In return, there will no doubt be increasing opportunities for French-speaking students from across Canada to study in European universities. At the same time, there will be an increasing flow of cultural visits and exchanges in both directions. Meantime we are negotiating general cultural agreements with both France and Belgium and hope to have mixed commissions of experts, representing both countries, who will plan the expanding programmes to take account of the principal interests and opportunities on both sides.

It has sometimes been suggested in this city and in this province that somehow the Federal Government has sought to limit or has not endeavoured to encourage cultural exchanges between Quebec and France. I should like to take this opportunity, here in the University of Montreal, to deny this categorically. In fact, the Federal Government in recent years has assisted the Province of Quebec in developing its exchanges with France, in addition to making preparations for a general cultural agreement between Canada and France.

Practical arrangements to give effect to the expansion of contacts and exchanges of all kinds between France and Canada at the federal, provincial or municipal levels have been facilitated and promoted by the Federal Government.

Far from wishing to restrain such exchanges, we hope that they will grow and increase to the benefit of Canada as a whole. We recognize that the interest of Quebec is naturally stronger than in other parts of Canada, since Quebec has the highest proportion of French-speaking Canadians. As the External Affairs Minister, I consider the interests of all Canadians, whether the matter at issue be in the political, cultural or foreign aid field. I am glad to see advances in external policy which are in accord with the interests, obligations, traditions and sentiments of all Canadians.

I have come back, therefore, appropriately enough, after our tour d'horizon, to our own situation here in Montreal on the eve of your departure for overseas on your teaching assignments. I should like to say a few words in closing about Canadian matters. The effort required to carry through an extensive aid programme in many parts of the world, which really enlists the resources and talents to be found in all parts of our country, obviously makes the co-operation of governments at different levels and of private concerns of all types essential. This is a good occasion on which to express, as I have done before, my appreciation of what has been done by the provincial government of Quebec and by other provincial governments in the recruiting of people for special assignments. I am glad to note that some of you here today are from French-speaking communities in other parts of Canada.

There are critics who try to see opposing interests in this field or to assign exclusive responsibility for the carrying-out of some comprehensive programmes to one level of government or another. I cannot imagine Canadian obligations and interests of the scope of those I have been describing which would not be the concern of the Federal Government in its field of responsibility or not be the concern of a provincial government in its own field. The only question ever at issue is how to find the most effective means of co-ordinating the interests and activities of all concerned. I am encouraged by the effective work done so far to believe that appropriate means will always be found.

I should like also to repeat what I have said on other occasions about the need for more young French-speaking Canadians to take up careers both in our diplomatic service and in aid work. I refer particularly to a speech I made in Quebec City in June 1963 stressing the importance of recruiting young people who would help to present Canadian policy abroad in the appropriate bicultural and bilingual terms. It is clear that, if we are to expand our diplomatic representation in Africa, if we are to develop our aid operations, if we are to strengthen our relations with the Francophone world, we shall need urgently, both in Ottawa and at our posts abroad, more qualified bilingual personnel. The opportunity is there for those who wish to serve and to assist in implementing policies and programmes which will assert the bilingual and bicultural character of our country in Ottawa and in Canadian activities abroad.

In saying farewell to you and expressing the hope that you and your families will derive the greatest satisfaction from your time abroad, I am reminded of another occasion a few months ago. In participating in the opening of the Canadian Consulate-General in Bordeaux at the end of last year, I referred to the life of that great port, the arrivals and departures, the contacts with other lands and all the associations the city and the surrounding area had with Canadian history.

Perhaps we are all historically-minded these days, with our centenary approaching. I cannot help thinking of the St. Lawrence and of this city and of all the great ventures they have witnessed. Canadians from every part of our country have come through here together in the unhappy days of war and in the more fruitful enterprises of peace. In saying farewell to your English-language colleagues last week and to you today, I am particularly conscious of one very moving consideration. Canadians of all cultures are joined in a venture of lasting international significance. In carrying out their tasks, they are presenting to the world proof of their own unity of purpose in pursuing objectives supported in all parts of Canada.

s/c

STATEMENTS AND SPEECHES

Gov. Doc
C 111
E



CANADA

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

65/22

INTERNATIONAL TENSIONS AND THE UNITED NATIONS

An Address by the Honourable Paul Martin,
Secretary of State for External Affairs, at the
Fifty-Fourth Meeting of the Inter-Parliamentary
Union, Ottawa, September 9, 1965.

★ Passages delivered in French

I am pleased and honoured, Mr. President, to have this opportunity to speak to delegates from so many countries taking part in the meeting of the Inter-Parliamentary Union. May I, as a Member of the Canadian Parliament and as a Minister of the Government, add to the words of welcome already expressed by your Canadian hosts. I have been a Member of the House of Commons for 30 years and have been privileged to take part in many historic debates here and in international gatherings during that time. It gives me particular pleasure, therefore, to see colleagues from such a wide range of legislative bodies now occupying this Chamber and discussing matters of world concern.

★ I should like to greet you also in French on behalf of a country in which the two languages have equal status and in which the traditions of Britain and France mingle. Our political and cultural inheritance and our languages give us valued links with many other nations.

★ Since it is to a British and French initiative in 1889 that the Inter-Parliamentary Union owes its creation, it is particularly fitting that we should be able to welcome you in the Canadian Parliament in both English and French.

★ The Inter-Parliamentary Union, since its foundation with only nine members, has shown, by its expansion to its present figure of 75 countries, how strong the desire is among legislative bodies of the world to increase international contacts and to develop international co-operation. It has brought together the representatives of all areas of the world and of all creeds and political beliefs. They have been able to discuss the strengthening of parliamentary institutions and those great themes of peace and international co-operation which have also been debated by governments in the League of Nations and in the United Nations.

A The Inter-Parliamentary Union has, therefore, made a contribution of the greatest value to the development of those international institutions on which the fate of all nations depends.

I should like, as the Minister responsible for External Affairs in the Canadian Government to consider with you some of the fundamental problems of world affairs today. You have been discussing such themes and I note the stress which you have laid on political goodwill, on mutual confidence and on a realization of common interest as the prerequisites for real negotiation on world issues.

There is a growing realization throughout the world that the United Nations can deal effectively with a wide range of problems involving security and economic development. Nevertheless, there remain problems of relations between the great powers which can not be dealt with in that way in the immediate future.

The division of Germany and the permanently dangerous situation with respect to Berlin are not really made better by the passage of time, even if we are grateful that sufficient restraint is shown to avoid having them become worse. The general problem of European security, relations between NATO and the Warsaw Pact, the division of Korea and Vietnam and the current conflict in the latter country are all examples of situations which one can view only with serious concern.

These dangers are, moreover, compounded by the inability of the powers chiefly concerned to find a mutually agreed way towards disarmament and by the fact that China has become a nuclear power while still dangerously isolated from those moderating influences which affect the thinking of many other nations.

These basic problems, which affect the security, self-confidence and well-being of all nations, are still at least partly derived from, and are certainly exacerbated by, the conflict of ideologies. I note in the reports of the 1964 meeting of the Inter-Parliamentary Union the point that the solution of international economic problems is impeded by the continuation of what we have come to call the "cold war".

We have advanced somewhat from the days when it appeared that the security of one system could lie only in the destruction of the other. Progress on many issues, however, which in my opinion need raise no ideological differences at all, is often impeded by irrelevant and outdated language and suspicions about the final victory of a political system. This certainly runs counter to the emphasis given by the Inter-Parliamentary Union to "objective study" of issues and equally certainly prejudices the development of that "political goodwill" without which serious negotiation cannot begin.

In spite of these basic problems that remain, there have been moderating influences at work in recent years, and we have welcomed changes in tone and even in specific matters of negotiation and contacts. A détente has been achieved and, if the phrase "peaceful coexistence" means that alterations in political systems will come about only by

persuasion and peaceful change, then further improvements in relations can be expected.

We should, however, have a clear understanding of what a phrase such as "peaceful coexistence" does mean. This is a problem about which one must speak frankly. There can be no exceptions made to what appears to be a doctrine of peaceful change simply because a particular area is under the pressure of some great power. We do not want to find that "peaceful coexistence" has yielded precedence to a doctrine of intervention expressed in the phrase "war of liberation". Our commitment to parliamentary democracy and to the procedures for peaceful international change set forth in the United Nations Charter do not permit us to interpret "peaceful coexistence" in any way other than that which I have indicated.

Surely it should be possible, even with competing political systems, to find the minimum of agreement required to deal with some vital matters of international business. Surely the international community should be able to help in situations involving bloodshed or hunger without regard to the final choice of a political system by the peoples concerned. Can we not agree that the only sane policy or diplomacy is one of peace, since the alternative is nuclear suicide?

I have, of course, been referring to the negative effects of ideological clashes. I can understand that people must take seriously the formulation of political beliefs by which their own societies are to be guided.

What we must do in this century, however, is to turn our ideological zeal to the positive task of developing those conceptions of international co-operation that will embody all that we have in common, our need of peace and of economic and social development. The longing for such new political formulations that led to the creation of the Inter-Parliamentary Union, the League of Nations and then the United Nations exists more strongly today than before. The United Nations Charter indicates the direction of such thinking. It is our responsibility to develop that common ideology of peace.

There have, of course, been specific developments of an encouraging nature in the course of the détente I have already mentioned. The partial test-ban agreement of 1963, the agreement on a communications link between the United States and the Soviet Union and the agreement banning the use of weapons of mass destruction in outer space had an immediate effect on the confidence with which all nations viewed the future. Bilateral relations between the two most powerful nations have developed since then and we can hope that the impetus provided by these 1963 agreements will lead to further understanding.

Canada has increased its contacts with the Soviet Union and other states in Eastern Europe, and I hope that this trend will continue. I might mention some recent contacts and exchanges, since they provide examples of steps towards developing a mutual understanding and goodwill without which there will be no serious negotiation over major issues. The visit of a Canadian Parliamentary delegation to the Soviet Union and Czechoslovakia this summer and the invitations for return visits were of

some importance in opening up contacts between people in public life in the countries concerned. There has been an exchange of delegations between Canada and the Soviet Union in the field of northern development, an area of obvious common interest and in the field of scientific research.

We have welcomed the decisions of the Soviet Union and Czechoslovakia to participate in the World Exhibition of 1967; and there has been a mutually satisfactory agreement concerning large wheat sales to the Soviet Union. Finally, I might mention the establishment of diplomatic relations with Hungary and our interest in extending further our diplomatic representation in Eastern Europe. In the Far East, we have had limited trade and press contacts with China.

I should hope that the expansion of commercial relations between groups of countries with different economic systems and different trading interests would contribute eventually to lessening tensions. Recent history does show that co-operation among nations to overcome their difficulties and to promote the growth of their mutual trade plays a helpful part in developing better relations between them in other areas as well.

While the long-term trends are encouraging, there are some immediate and difficult problems of great concern to all nations. Perhaps the most important example is disarmament.

Canada has played an active part in the negotiations in this field to find some means of halting the further spread of nuclear weapons. Proposals to this end in the form of a draft treaty have recently been tabled in the Eighteen-Nation Disarmament Committee in Geneva. Although these proposals have not been immediately accepted, the Canadian Government gives them its full support in the belief that they constitute an equitable basis for discussion of this vital question. Canada participated actively in the preparation of these proposals and several Canadian ideas are reflected in them.

It is our earnest hope that these proposals will receive the careful study and consideration of other governments represented at the Eighteen-Nation Disarmament Committee. In our view, they provide a suitable basis for negotiations leading to a non-proliferation treaty embracing both the non-nuclear and nuclear powers. Canada is prepared to join with other nations in a determined effort to achieve progress with a sense of the urgency which this important issue demands.

On the question of general disarmament and of relations between the leading powers, there are two points that are worth making in relation to some recent developments. It would be quite illusory, in the first place, to expect either of the two leading parties to the negotiations to disarm unilaterally or to make agreements contrary to the interests of its partners which must always be taken into account where vital security matters are at stake.

Furthermore, we have long ago reached agreement on the general principles which should be applied to disarmament and it is time we were taking further steps towards carrying them out. Instead there is too great a tendency to try to score debating points, as if we were more concerned with propaganda than with the substance of the great issues of war and peace.

★ In reviewing disarmament negotiations, other matters at issue between the major powers or regional crises, we return to the fundamental question - how can the United Nations play the role intended for it under the Charter which all member governments accepted? There can be no real improvement in world affairs that is not manifested in some significant way in the capacity of the United Nations to maintain peace and to stimulate economic development.

★ There are those who see in recurring crises, which are too complex to be settled quickly, proof that collective security, as envisaged in the United Nations Charter, is illusory. I see in such crises evidence to support the opposite conclusion -- that, if the full weight of United Nations action as envisaged or implied by the Charter (conciliation, impartial study, co-operation in economic and social projects, all the resources of the quiet diplomacy of an international agency) had been applied at an earlier period, the crisis might never have occurred.

★ It is for this reason that we in Canada consider loyalty to the purposes of the United Nations to be one of the chief elements in our foreign policy. We do not say this only at a time of crisis or only with respect to the more dramatic political problems with which the organization deals. We are able to assist in the economic development of newly-independent countries through bilateral and multilateral aid programmes. We have thrown our full weight behind efforts to develop multilateral trade in directions beneficial to all nations. Last year we convened a conference of nations best able to assist in United Nations peace keeping to help co-ordinate the technical planning of those nations for such tasks. We have ourselves taken part in every major United Nations peace-keeping project since 1948.

★ These Canadian policies are based on the conviction that, if United Nations membership means anything, it means that middle and smaller powers have rights and obligations with respect to the search for security. If the leading powers are unable to find solutions to some problems, other nations must take whatever action is open to them in furtherance of the aims of the Charter. The participation of many middle and smaller powers in peace-keeping operations has given those nations the right to contribute to the formulation of policy on matters of major concern. The increasing involvement of all members of the organization in the rights and obligations of membership has opened up new and valuable opportunities for dealing with the most pressing of world problems.

★ The United Nation is, of course, faced with major problems at the moment. In view of the nature of the current situation in the dispute between India and Kashmir, I cannot comment extensively on this subject.

I must, however, reiterate the support of the Canadian Government for the United Nations appeal for a cease-fire. This conflict is of grave concern to us and we would help in any way possible to bring about an end to the fighting and a final settlement of the problem. As you know, our Prime Minister offered his assistance in mediation in the early stages of the conflict.

★ I should like to mention also a current problem that will come before the General Assembly when it meets later this month. I refer to the question of responsibility, financial and otherwise, for United Nations peace keeping. We are, in a way, at a crossroads in the development of the organization. The peace-keeping responsibility of the United Nations must be affirmed. Its capacity to act must be reinforced and its method of acting subjected to the most careful examination to ensure that the rights, obligations and interests of all members and the correct functioning of the various constituent parts of the organization are respected.

★ We welcome the agreement reached on September 1 that the twentieth session of the General Assembly should proceed with its normal work and that the question of the applicability of Article 19 should not be raised with respect to the costs of the peace-keeping operations in the Congo and in Gaza. The financial difficulties of the organization must now be settled through voluntary contributions. Canada is one of a number of governments that have already made such contributions, and it is our hope that other member governments will now contribute their appropriate shares. The amounts are small. Surely the price is not too high to pay in order to put our collective house in order.

★ There remain to be settled the long-range questions of responsibility for initiating and financing future peace-keeping operations and of sharing equitably the costs of the United Nations Emergency Force in the Middle East. Let me outline a few principles that I believe should explain our approach to these questions.

★ First, the maximum possible sharing of the cost, preferably by collective assessment, is the fairest and politically the most effective method of financing peace keeping. It should be the first method to be considered by the Security Council when the Council decided to authorize a new operation. Other financial arrangements may have to be worked out to fit different circumstances but it is essential to the proper functioning of the organization and to the maintenance and support for it in member countries that financial responsibility for projects of wide international benefit should be shared by the international community as a whole.

★ Second, if the Security Council is unable to act because of disagreement amongst the great powers, then the General Assembly must be allowed to recommend appropriate measures that governments can act on if they so desire. I shall be the first to agree that power and responsibility are linked under the Charter. But to go on from there to maintain that a single great power should be able to frustrate the will of the majority is surely a distortion of the Charter's spirit.

★ Third, the United Nations must have the technical and military capacity to act when required. I have noted that, at your conference in 1964, you passed a resolution that refers to the necessity to organize eventually "world forces as part of an agreement for the general and complete disarmament of sovereign states". After that, the resolution goes on to make certain proposals for the advance planning of peace-keeping operations. Canada welcomes this approach. Last year, as I mentioned, we organized a meeting of representatives of a number of countries with experience in peace-keeping operations in order to exchange information and to prepare our Government better for future operations.

★ What is the peculiar value of United Nations peace-keeping operations in the broad political sense? The benefit to the area involved is, of course, obvious. The broader value is that threats to the peace that might eventually involve the great powers are brought under control before the fighting can spread. We should not rest content with this, however. The absence of conflict does not guarantee peace and security.

★ It is imperative that the United Nations develop further its capacity for mediation and conciliation to bring about a solution to the political disputes that lead to conflict. Here lies perhaps the greatest potential benefit of United Nations intervention. I say "potential" intervention advisedly, for we have made too little progress in this direction. In future, I believe, we must associate more closely the United Nations' twin tasks of peace keeping and peace building.

★ In this present difficult period in the United Nations, we are faced with some basic questions. Are we to go forward in the paths indicated by the Charter or not? The Charter is not a constitution for world government, nor can it provide all the answers to questions that must be debated and negotiated between sovereign governments. The assumption on which it is based and to which all member governments have formally subscribed seem abundantly clear, however. A commentator has referred to what he calls "an unexpressed belief that, for every crisis of world politics, there are certain adequate principles of just action not yet formulated but discoverable and that the United Nations is the agent that, by its nature and constitution, seeks to discover and to act upon these principles". Member governments cannot, if they are to be honest in maintaining their commitment, give only what this commentator describes as "calculated and ephemeral support". Their support must be consistent, wholehearted and imaginative if real progress is to be made towards the objectives set forth in the Charter.

In closing, I should like to pay tribute to the way in which the Inter-Parliamentary Union has recognized the necessity of stimulating debate on international peace and co-operation in parliaments, and beyond them in wide public circles before governments reach their decisions. The drive to achieve collective security through permanent international institutions, which has characterized the best in political thought in this century, has been closely linked to the desire to widen the basis of public interest in foreign policy. The two ideals of democratic participation in policy making and of peace in international relations are being pursued by the Inter-Parliamentary Union on a scale that is bound to assure lasting results.

We must have confidence that progress can be made towards a lasting peace; otherwise we shall not make a great enough effort towards that good. We must use those great forces of an awakened public conscience and of enlightened public debate in the service of new projects for the betterment of humanity.

The parliaments represented here have the power, if a meeting of minds can be achieved, to solve many of the serious problems afflicting the world. That power presents us with a great responsibility and a great challenge. I hope that we can, all of us, meet the challenge and discharge the responsibility worthily.

S/C



CANADA

GOV. Doc
Can
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/23

DRAMATIC GROWTH IN CANADA'S PACIFIC TRADE

An Address by the Honourable Mitchell Sharp,
Minister of Trade and Commerce, to the Pacific
Northwest Trade Association, Anchorage, Alaska,
September 13, 1965.

As Minister of Trade and Commerce I have a keen awareness of the positive role of international trade as a crucial factor in national prosperity. Because of our greater dependence on export markets than the United States this interrelationship is especially important for Canada. I am also keenly aware of the importance of trade as a positive and constructive factor in political and general relations between countries and peoples. It seems to me self-evident that the dangers of unnecessary misunderstanding can be reduced through the knowledge and mutual awareness that accompany contacts through trade. It will be obvious how greatly I value the role of businessmen engaged in international trade -- men who, day by day, extend and broaden the channels of profitable and fruitful contact throughout the world.

It is as it should be that you, the business leaders of Western Canada and the western part of the United States, should come together to exchange views and to focus attention on the development of trade with our neighbours around the Pacific rim. This trade, already large, will, I believe, be of increasing importance to both our countries in the years to come. I am happy to report that throughout the breadth of Canada there is a growing appreciation of the importance of our Pacific as well as our Atlantic involvement. More and more eyes are turning towards the West as they look into the brightness of the future.

To this audience, there is little need for me to elaborate in detail on the potential of trade in the Pacific region and the importance of seizing the opportunities. Canada's trade with this region has shown dramatic growth over the past decade. Our wheat sales to the area have increased from about \$60 million in 1954 to nearly \$540 million in 1964. Japan is a traditional and most valued market for Canadian wheat. We have been able to develop new and substantial outlets in mainland China for Canadian grain. A part of our grain sales to Russia moves out through Pacific ports and enters the Soviet Union through their Pacific ports. In 1963-64 and again in the current crop year, wheat and flour sales to our traditional customers and to our more recent customers in Eastern Europe and Asia involved movement of the maximum volume of wheat we can physically handle through our existing facilities.

Our West Coast ports have, over the years, done a masterly job in moving Canadian grain to Pacific markets. I am delighted with the progress in train to expand port facilities. The strike in Vancouver is behind us and I look to the highest measure of co-operation from all concerned to insure that the movement of Canadian grain through Pacific ports reaches a new high in the current crop year.

Of course, we cannot expect the record volumes to which I have referred to be repeated every year. But I do expect and look confidently to China to provide a continuing and substantial outlet for Canadian grains in the future -- this in their own interest as well as ours. And I am hopeful that the Soviet Union will come to regard Canada as a usual source of supply in years when their crop is normal as well as when crop conditions in the U.S.S.R. give rise to large import requirements. I am convinced that it makes good economic sense for the Russians to look to Canada as an efficient source of supply, in good years as well as bad, for at least part of the grain requirement of their Pacific region.

Apart from wheat, Canada's exports to the Pacific region, excluding the United States, reached about \$700 million in 1964. The level has been increasing sharply and we look to continued growth. Our trade with the area is illustrative of most of the current challenges and problems of international trade. Our partners include small countries and large, countries of the North and of the South, the developed and the developing, members and non-members of the Commonwealth, market economies and state trading economies and a multitude of races.

Japan, whose interest and friendship we value highly, has become Canada's fourth largest market in the world, after the United States, United Kingdom and the EEC. Canada is in the fortunate position of being able to supply economically many of the imports required by Japan to feed its population and to sustain and expand its industrial complex. Many of you are directly involved in the development and sale of the great forest and mineral resources of this Coast and need no reminder from me of the value of this trade. We should like to see it continued and increased. We should also like to see a greater diversification in that trade. Can we do more of the processing of Canadian resources in Canada? I believe that the opportunities to sell Canada's materials to Japan in a more advanced stage of manufacture are less than they should be. And I hope that in time we will have better access to the Japanese market for fully manufactured goods and that our production of such goods will be sufficiently efficient and competitive to earn us a growing position in that market.

Canada represents an expanding and large market for Japanese goods. In 1964, Japan's exports, at \$175 million made it our fourth largest supplier. While the trade balance is in Canada's favour, it is significant that in the last decade Japan has enjoyed a ninefold increase of sales to Canada while our sales to Japan have trebled.

Over time, continental Asia, with its vast population, should become a major Pacific and world market. The speed with which this occurs will depend on many factors, both political and economic. In this context, mainland China and Russia have massive impact. We in Canada believe that trade with these vast areas should be developed and cultivated as circumstances permit. As a

nation vitally dependent on export trade, we must search out normal market opportunities wherever they occur. And we believe that trade can make a real contribution to better general relations with countries which do not share our political beliefs. In co-operation with our partners in the Western alliance we prohibit the sale of strategic goods to these destinations and we see to it that U.S. goods do not reach prohibited destinations through Canada. But we are convinced that it makes good sense to develop mutually advantageous trading connections in peaceful goods with all countries and areas, including Communist China.

The development of trading opportunities with countries with a centrally planned economy presents special problems. It would be a mistake to assume that there is a vast unsatisfied demand, that these countries are just waiting to buy everything we are prepared to sell. The development of trade in peaceful goods with the Sino-Soviet bloc will only be realized through hard work and perseverance. They are discriminating buyers and tough bargainers. They suffer some of the handicaps of any big and bureaucratic organization and these must be penetrated. It is not easy to establish direct contact with the ultimate buyer and user. However difficult it may be, and however slow and frustrating the efforts to sell in that vast continent, I sincerely believe that, for reasons of long-term self-interest, both political and economic, the effort is well worth while. In this area of trade there is always the possibility that changing political circumstance can accelerate or retard the process. This is a fact of life which must be recognized and taken into account. But over the long haul and in the interests of world peace, I am satisfied that the course of establishing closer understanding and more intimate contact must be patiently pursued.

In the Pacific area, Australia and New Zealand are, of course, of key importance in Canada's Commonwealth trade. The volume of sales in these traditional and long-standing markets has risen from \$61 million in 1954 to \$180 million in 1964. As both Australia and New Zealand have moved forward in their industrialization, we have found the need to adapt ourselves to their changing market needs. And this process has not been without problems for some of our suppliers. The recent decision of Australia and New Zealand to join together in a free-trade arrangement between themselves will, no doubt, call for further adjustments. But I trust that the arrangement they are to work out will provide an impetus to further economic expansion and with it increased demands for the goods we are able to supply. I know that New Zealand and Australia, both of whom are world traders and have important stakes in the North American market, will be bearing our trade interest in their market closely in mind as they move ahead.

We in Canada have been able in these markets to develop a broad diversification of trade - to test the muscles of our manufacturing industry in competing overseas as well as to supply needed materials. These are valued trade ties. I am fully aware of the sensitivities of our American friends to the fact that in certain goods we have special advantage in these markets through tariff preferences and that we accord such preferences in return. But it is to be remembered that for value received, we and other Commonwealth countries, through multilateral negotiations, including negotiations with the United States, have been prepared to reduce preferential margins in Commonwealth trade. We would expect this process to continue in the current round of trade

negotiations in Geneva as the world proceeds with the task of reducing trade barriers generally.

I have not touched so far on Latin America and our community of interest with this area in the Pacific. The growth in our trade with Latin America has been somewhat less dramatic than elsewhere but still impressive. The increase in the last decade has been from \$188 million in 1954 to \$330 million in 1964. Last autumn I had hoped to lead a goodwill trade and economic mission to Latin America, designed to stimulate greater trading interest in both directions. Events forced me to postpone that trip. I am determined, if political fortunes are with me, to make such a visit in the near future.

I should like to emphasize that Canada's absence from the OAS table should in no way be construed as any lack of interest in Latin American affairs or any lack of willingness to play our role in the Western hemisphere. We are a member of a number of United Nations subsidiary bodies dealing specifically with Latin America, including the Economic Commission for Latin America. In the last year we have worked out arrangements with the Inter-American Development Bank under which we have set aside substantial funds to finance economic development in Latin America. We work closely with Latin American countries on international commodity problems and we are deeply conscious of their interests as we seek to grapple on the international plane with the serious trade and economic problems of developing countries throughout the world. In our relations with Latin America we consider how best we can make our contributions to Western hemisphere affairs within the framework of the totality of our world relations.

The development of North America's trade frontiers on the Pacific rim must, in the final analysis, be up to you, the businessmen of Canada and the United States. It is up to governments, however, to improve the trading framework within which you can develop those trading opportunities. The current negotiations in Geneva, the so-called "Kennedy round", are looking to a major step forward in reducing trade barriers imposed by governments. Canada, the United States and Japan are key participants in this negotiation, along with the EEC countries, Britain and the other EFTA countries. Industrial offers were exchanged last November and detailed bargaining has been engaged. Later this week countries are scheduled to table their offers on agricultural products and there is expectation that Australia and New Zealand, who have major agricultural export interests, will, at that time, be joined in the detailed bargaining. It would be premature to make any forecast as to the result of these negotiations. The task the participating countries have set for themselves is hard and complex. Much will depend on the role of the EEC and the participation of the Community has been complicated by concurrent difficulties within the Common Market, particularly in relation to their agricultural policy. The goal that has been set -- a major freeing up of world trade -- is worth the effort. The bargaining will clearly be long and difficult. While the eventual result may not represent as great an advance as had been hoped by the original architects, I trust that significant progress will be made.

An issue of key importance before us in these negotiations, and in other international meetings, is the challenge that faces the developed world in meeting the needs of the less fortunate countries. On the Pacific rim

there are a number of countries which require a substantial degree of support if they are to reach the take-off point of economic viability and provide their peoples with a more adequate standard of living. Both Canada and the United States are, of course, extending substantial aid to these areas, both bilaterally and through multilateral programmes. At present, plans are moving forward for the setting up of an Asian Development Bank designed to help in the provision of much-needed investment capital. While a great deal is being done in the field of economic aid, more will be required of us in the years ahead.

It is incumbent upon us to ensure that these developing countries have a better opportunity to help pay their own way. It is not a question of trade or aid, since both are required. But, in the end, trade will be of the greatest importance if these countries are to realize their economic potential. In this context the challenge before the developed countries is to open up their markets more freely to the exports of the developing countries. This applies not only to the basic exports of tropical products and other materials, which we have traditionally taken from them, but to the provision of outlets for the manufactures of their newly-developing industries.

Many of us have encountered difficulties of market disruption through the penetration of our markets by low-cost goods, particularly from Asian countries. Problems of adjustment are involved and it is in everyone's interest that the process of market development should be orderly. We in Canada consider that we have played our full share in accepting an increased volume of low-cost imports and that the arrangements worked out to avoid disruption in our market have been fair to our trading partners and to our own manufacturers. We believe that the problems we face in the area of possible disruption from low-cost imports would be substantially reduced if other industrialized countries, for example in Europe, were as prepared as we to open markets to imports.

Because of the orientation of this meeting towards other countries of the Pacific rim I have not spoken today of the trade and economic links between Canada and the United States or of the problems to which our massive mutual trade not unexpectedly gives rise from time to time. Perhaps it is sufficient to say that your joining together in the Pacific Northwest Trade Association and this meeting here in Anchorage epitomize the closeness of our links, the intimacy of our economic collaboration and the mutual advantage of close co-operation between our two countries. If I were to mention that I spend a good deal of my time dealing with problems arising with respect to trade in wheat, in oil, in minerals and forest products, it would perhaps illustrate that not all the channels of trade and co-operation between us are clear of hazards and obstacles and the need for constant and careful attention to the rules of the road.

Before concluding, I should mention Canada's interest and my interest as the minister responsible for the Canadian Travel Bureau in the question of developing tourism in the Pacific area. Travel has important social and political as well as economic benefits.

DEC 10 1966

- 6 -

Last year about two million people visited Asia and Australia, spending about \$600 million (U.S.). This represented an increase of 15 per cent over 1963....

Canadians are, per capita, far ahead of all other peoples in travel expenditures abroad, and they are already becoming well-known as visitors to Pacific rim countries. The reverse flow is as yet small but rapidly increasing.

As we approach 1967, the centenary of our Confederation which will be celebrated all year long from coast to coast -- and highlighted by a great world exhibition (Expo '67) in Montreal, we expect to see an impressive rise in the number of transpacific visitors to Canada.

A warm and friendly welcome awaits all who come to enjoy our vast and diverse land, and to see how actively we are developing as our country gets ready, with firm faith in a glowing future, to enter its second century as a nation.

Visitors to Canada from the Pacific area are especially welcome, whether they come as tourists or to trade. In turn, the peoples of the Pacific rim will be seeing more and more of us in their countries as we intensify our links across and around the Pacific....

S/C



CANADA

Gov Doc

Can

E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/24

CANADA AND WORLD PROBLEMS

Text of a speech by the Honourable Paul Martin,
Secretary of State for External Affairs, to the
Twentieth Session of the United Nations General
Assembly on September 24, 1965.

Mr. President, I should like first of all to congratulate you on your election to the presidency of the Assembly. The overwhelming support which you have received testifies to the high esteem in which you are held. The Assembly is fortunate in having as its presiding officer a statesman of world stature and a political philosopher of international renown. As a member of the Government of Canada, which has many close and friendly links with Italy, it gives me great pleasure to greet her distinguished representative at this time.

I wish also to welcome to our company the delegations of the Gambia, the Maldiv Islands and Singapore. It is essential to the welfare and future of this organization that it should represent the peoples of the world wherever they have attained sovereign independence. The addition of these three new members marked a further step in the achievement of its goal.

I listened with great interest to the address of Mr. Gromyko, the Foreign Minister of the Soviet Union. Mr. Gromyko is one of a very limited number -- and I happen to be among them -- who attended the first meeting of the United Nations in Church House in London in 1946. Indeed, Mr. Gromyko was one of those who likewise participated in the Preparatory Commission of the United Nations in London in 1945, and he has been a persistent attender at our deliberations since that time.

I noted with great satisfaction that, as the spokesman for his country, he said that the Soviet Union will do all within its power to bring about a fruitful solution of the questions facing the United Nations at this time. It is the judgement of my country and my Government that this Assembly is one of greatest importance not only for the peace of the world, but for the continued successful operation of the United Nations, and certainly at this time, in this century. We in this room today represent governments pledged to the principles of the Charter, governments capable of decisions and actions which could change the course of human history. It is with a sense of both our opportunity and the dangers that will flow from failures to take advantage of this opportunity that I would like to discuss, at this start of the twentieth session of the General Assembly, some of the problems which I regard and my Government regards as being of uppermost consideration at the moment. So I

propose to direct my attention to five of the major problems facing the world at the present time -- the dispute over Kashmir, the war in Vietnam, the maintenance and strengthening of the peace-keeping and peace-building capacity of the United Nations, disarmament and the containment of the nuclear threat and, finally, means of maintaining the momentum of the international assault on poverty, ignorance and disease.

I would begin by saying that, in my Government's view, the primary concern of the General Assembly must be with the disputes which at this moment are disturbing international relations with incalculable consequences for world peace. It is a sobering reflection that 20 years after the foundation of an organization intended to establish and maintain peace and security, we should have been confronted with wars tragic in their reality and alarming in their implications.

How can we devote the attention which we all want to apply to economic and social developments and to the promotion of fruitful international co-operation when before us is the appalling spectacle of death and waste in war? Our spectrum of anxiety is world wide, for war in any region of the world is an affront to our insistence on peace and a challenge to our crusade for collective security and human betterment.

Are we in danger, I ask, of forgetting the harsh lessons of the past? How many times have we heard it proclaimed, here and elsewhere, that war must no longer be an instrument of national policy? Pressures and temptations exist to breach this high principle: temptations to extend an area of influence or to intervene in the internal affairs of other nations, even to seek to obtain an objective by use of force.

The conflicts with which we are faced in Asia at this moment differ in important and obvious respects. Their most significant common characteristic is that either situation could widen the area of conflict and create danger of spreading war in Asia and beyond. The elimination of that risk is the supreme task of the international community, the supreme opportunity that lies before this body now; and that is the view not only of my Government but of the vast majority of the people of my country.

I turn now to the events which have gripped the world's attention in recent weeks: the conflict between two close friends of Canada -- India and Pakistan.

The news that the cease-fire between India and Pakistan has come into effect has been received with profound relief throughout the world, and nowhere more so than in my own country. During the previous seven weeks the Canadian Government and the Canadian people had been saddened and dismayed by the rapid intensification of this tragic conflict between two countries, partners in the Commonwealth, with which we have formed increasingly close bonds since they attained their independence. The Secretary-General, who in this matter has again served this organization with energy, imagination and wisdom, received widespread support for his first appeal for a cease-fire. The support that his appeal commanded was demonstrated by the readiness with which a number of world leaders offered their services to assist in bringing about a cease-fire. The Prime Minister of Canada -- a well-known figure in

this Assembly, a former President of this organization -- was among those offered his assistance, and I have his authority to say now that, should that assistance be desired by the parties in the search for a negotiated settlement, it will be forthcoming.

The unanimity with which the Security Council adopted its resolutions of September 4 and September 6 reflected the determination of all members of the organization that fighting be stopped. The broad endorsement for these resolutions and the firm support extended to the Secretary-General as he carried out the mandate entrusted to him by the Council gave further evidence of the fervent wish that bloodshed cease.

The cease-fire which has been achieved is, of course, the first and paramount necessity. The world can now breathe more easily, but the cease-fire, as we have been told by others at this podium, is not enough. The United Nations and the Indian and Pakistani Governments now have a new opportunity, which they must not fail to grasp, to search for and achieve an honourable and equitable and lasting settlement.

The consequences of failure to find a lasting settlement have never been more clearly evident than during the past few weeks. The Secretary-General stated the dangers starkly when he said:

"Inherent in this situation are all of the phenomena -- the aroused emotions, misunderstandings, long pent-up resentments, suspicions, fears, frustrated aspirations and heightened national feelings -- which throughout history have led to needless and futile wars."

In its resolution of September 20 the Security Council reaffirmed its responsibility to bring about a settlement of the political problem underlying the dispute. The Council has, of course, made attempts before. Indeed, 16 years ago, the Canadian representative, General MacNaughton, on the Security Council, in his capacity as President of that organ, played a special role in the search for a solution to the Kashmir problem, which was then two years old. The imperatives of the situation demand new efforts which should be pursued not only by the Security Council but also by every member state in a position to make a contribution to a solution.

The settlement, if it is to be durable, must carry the assent and the acceptance, difficult though they may be to achieve, of both Pakistan and India. An arrangement which meets the aspirations of one side only will never provide a stable solution. Perhaps -- and I say perhaps -- and in an explanatory way, a most promising course might be for the United Nations to assist the two governments to return to negotiation at the point where they last had agreement, picking up from there the difficult task of bringing an end to this grave dispute.

So far as Canada is concerned, we have, since the establishment of the Observer Group in 1949, provided military officers to serve along the cease-fire line in Kashmir. During the past 48 hours since the cease-fire was agreed on in the Security Council, the Canadian Government has been considering certain additional requests which have been addressed to us by the Secretariat. I have already announced the dispatch of 10 additional Canadian observers to the

United Nations Military Observer Group in India and Pakistan itself. We shall also provide 12 observers for service with the new Observer Group, and in addition, a number of aircraft, a senior staff officer, and air crew for service with both observer groups in the region. In undertaking to meet these requests, the Government of Canada expects that the new Observer Group will, of course, be withdrawn as soon as changing circumstances in the area make this possible.

Furthermore, as I have already indicated, if there are any ways in which Canada can assist in facilitating the initiation, continuation and, as we devoutly hope, completion of negotiations, we stand ready to do whatever we can.

I come now to the situation in Vietnam. This situation has not arisen from any lack of clear international directives for achieving stability. If the cease-fire provisions agreed to in 1954 had been fully observed, the tragedy and danger we now face in that part of the world would not have occurred. But they were not observed.

One of the two basic provisions of the Agreement was non-interference between the two zones, and it has been progressively disregarded. The ensuing instability, and the measures introduced to correct it, have not resulted in any new and more satisfactory balance. Instead, as we all know, the situation has spiralled upwards, imposing untold suffering on the Vietnamese people and creating an increasing threat to the peace of the region and of the world.

There are obvious reasons why up to now the Security Council has been able to act over Kashmir but has been powerless to intervene usefully in Vietnam. Speaking for Canadians, I can say that it is a matter of deep concern that the United Nations has been prevented from effective action in the crisis in Vietnam. This is a test for the General Assembly of the United Nations. We cannot abdicate this responsibility in this grave situation. It is the duty of this Assembly, in our judgement, to express clearly and forcefully the collective conviction of the United Nations that the war in Vietnam must be brought to a negotiated settlement.

There can be no doubt of the right of the people concerned to settle their destiny free of intimidation, subversion and military pressure, called liberation. Surely this is a cardinal principle of any settlement.

I can only trust that as the real issues in the Vietnam war become clearer to everyone, and as the realization of the common interest in ending the war grows, there will emerge a desire for compromise and negotiation. The United States response to the appeal of the unaligned nations last April established, in the view of my Government, the willingness of the United States to negotiate without preconditions for a settlement.

This Assembly of the United Nations must use whatever influence it has to help to bring about a negotiated settlement. Intransigence must yield to the appeals of justice and humanity. A military solution alone is neither practicable nor desirable. Once that is recognized, we can seek a mutual accommodation of interests and objectives and, above all, a guarantee that the people concerned will be able to proceed with the support and encouragement of the international community to choose for themselves the path they wish to follow.

The third point I wish to discuss is that of peace keeping. We are all aware that, because of disagreement among members of the Assembly over the financing of certain peace-keeping operations, the General Assembly has passed through a painful period of frustration. I will not recall the circumstances or attempt to ascribe now the responsibility. What is important is that the General Assembly is functioning normally again. A new period of creative action lies before us. This prospect is a matter of satisfaction to my Government. For, notwithstanding the acknowledged importance of the Article 19 issue, we have to consider that the vital need for the United Nations and for this Assembly is to come to grips with compelling world problems. We must not permit this Assembly to be paralysed in the light of these contemporary issues.

Let me give you my Government's view on the future of peace keeping, and I think we have a right to give some advice on this matter because we have participated in every one of the peace-keeping operations of the United Nations. First, we cannot accept the proposition that the Charter reserves the preservation of peace and security exclusively to the permanent members of the Security Council, although we do not for one moment question that co-operation among the great powers is fundamental to the full implementation of the Charter. But in the absence of such co-operation, the membership as a whole must, in our view, have the opportunity to recommend what is to be done when no other course is open.

The Charter explicitly provides that the maintenance of international peace and security is a collective responsibility. This means that when the United Nations acts to keep the peace, a general responsibility rests upon the membership to support that action. We have always believed that the logical consequence of this is an equitable system of sharing the financial burden. If it is right and proper for the Security Council to have the primary responsibility for decisions to establish peace-keeping operations, it is equally to be expected that the members of the Council, and particularly the permanent members, should pay their rightful share of the cost, preferably on the basis of collective assessment. But if this is not possible, then contributions must be forthcoming voluntarily from each member to the best of its ability in common acknowledgement of the obligation we all share to help keep the peace. The alternative is that the burden of peace keeping will fall upon a few member states. I have no doubt that this alternative will be categorically rejected by most countries and that the United Nations peace-keeping operations will not falter through lack of the necessary resources. But I would remind the Assembly that it nearly did falter when the Security Council, by its unique arrangement, provided an opportunity for the establishment of the force in Cyprus.

Our first and most immediate challenge is to restore the organization to solvency. A number of countries, including my own, have already demonstrated their faith that the membership as a whole will respond to this need, and contributions approaching \$20 million have been forthcoming. I am sure that, in the course of the next few weeks, the balance of the membership will respond in full measure to the appeal of the Secretary-General.

What further practical steps can be taken by this body and by its individual members to reinforce the capacity of the organization to keep the peace? Last year the Secretary-General, in the introduction to his annual report proposed a study of advanced planning of peace-keeping operations. No action has been possible on this proposal, but I would hope that the organization will be able to come to grips with this problem in the months ahead.

As we all know, a small number of countries have earmarked military units for United Nations service, but without central planning and without additional offers, the effectiveness of such measures is necessarily limited. Canada continues to believe that the earmarking of units with appropriate central co-ordination is a technique of value to our organization in its task of keeping the peace.

But peace keeping by itself is not enough. Peace building is even more important. The Charter outlines a whole range of procedures for use in achieving the pacific settlement of disputes. The British Government has inscribed an item on this subject and I wish to record the readiness of my Government to collaborate in studies to develop this important aspect of the activities of this organization.

But machinery for peaceful settlement will be of no avail unless governments are determined to make use of it when disputes arise. The time has come to ensure that peace keeping is intimately linked with peaceful settlement. The former, essential as it is, should not be permitted to obscure or divert the purposes of the latter. The precedent of providing for mediation at the same time as for the dispatch of a force, on the model of the first Security Council resolution on Cyprus, is a good one. But it is important that the related measures aimed at achieving a political settlement be vigorously pursued. The parties to a dispute should not expect to enjoy the benefits of United Nations intervention without accepting responsibility to settle their differences and thus facilitate the earliest possible termination of peace-keeping measures.

Mr. Gromyko spoke of disarmament. I should like to say something about this matter likewise. Turning from peace keeping, I think it is to be recognized that this is another field of the greatest importance. We are all agreed in this room that general and complete disarmament is the goal we must reach in order to have a secure and peaceful world. This goal was spelled out in a resolution adopted by the United Nations in 1959. It remains our goal, notwithstanding the measure of the limited achievements of our discussion. We have tried over the years to make progress. When agreement on general disarmament eluded us, we turned our attention to collateral measures. We have come to recognize that, while we have been exploring this path, the underlying peril has been growing. Nuclear weapons are now in the possession not of one power or two, but five, and many other governments are acknowledged to have the capacity to make them.

The Secretary-General, in his report of September 20, has described the spread of nuclear weapons as the most urgent question of the present time. He has urged that it should remain at the very top of the disarmament agenda. My Government fully supports this judgement. Although it has the capacity, it has not engaged in the building of nuclear weapons.

Last August, the United States presented to the Eighteen-Nation Disarmament Committee a draft treaty designed to stop the spread of nuclear weapons. Canada had a share in the preparation of this document. We hope that the submission of this treaty, which had been called for by many non-aligned nations, would open the way to progress, but we were disappointed. I listened with great care a few moments ago to what the Foreign Minister of the Soviet Union had to say on this point. I should point out that the Soviet Union refused to discuss the draft treaty and has sought to place the onus for its refusal on members of the North Atlantic Alliance. This position of the Soviet Union does not seem to me to be a reasonable one. While the European members of the North Atlantic Alliance are under threat of potential nuclear attack themselves, it cannot be argued that they should have no right to participate in decisions on how such an attack is to be deterred.

It has been made clear by the representatives of non-aligned nations in the Eighteen-Nation Disarmament Committee that the world cannot be permanently divided into nuclear and non-nuclear states. Why, it is asked, should states which do not now have nuclear weapons give up in perpetuity their sovereign right to take such action as may be necessary in order to preserve their national security, if the nuclear powers do not begin to exercise restraint in the manufacture of nuclear weapons and their vehicles, to reduce their stockpiles and thus embark on a course leading to general disarmament? I think that the proposal made yesterday by Mr. Goldberg, the representative of the United States in the United Nations, is one that will be carefully studied and I hope that it will produce a corresponding agreement. While agreement on non-dissemination should not wait on such action by the nuclear powers, it cannot long be maintained unless the great powers begin to reduce their nuclear armaments.

It is of cardinal importance to press vigorously for the extension of the partial nuclear test-ban treaty to cover nuclear tests underground. From the outset Canada has consistently supported moves to ban the testing of all nuclear weapons, subject to arrangements for effective verification. We shall continue to support sensible proposals leading to the attainment of this important policy objective. Important advances have been made in recent years in the detection of underground events by seismic methods. Some progress has also been made in distinguishing between the seismic waves caused by earthquakes and other events and those caused by nuclear explosions underground. This field -- the detection and identification of seismic waves transmitted through the earth's crust -- is one in which Canada has a special interest. Because of our geographical position, favourable rock formations and seismic detection facilities, Canadian scientists are in a position to make a positive contribution to experimental work which, after further investigation and study, may create the conditions for progress towards a treaty which would prohibit nuclear tests underground.

At the recent session of the Eighteen-Nation Disarmament Committee, Sweden and other countries made important suggestions for international co-operation looking to further progress in the field of verification. In Canada's view these proposals deserve serious consideration and study. The Canadian Government is willing to join with other nations in international efforts linked in an appropriate way with the United Nations to help to achieve a comprehensive nuclear test ban.

On June 15 of this year the United Nations Disarmament Commission adopted a resolution requesting this Assembly to give urgent consideration to the holding of a world disarmament conference. My Government accepts in principle the idea of a world disarmament conference. We believe that such a conference will require careful and thorough preparation. Over the years certain principles have been accepted for the conduct of disarmament negotiations. It is the view of Canada that the agreed principles adopted by the Assembly in 1962 should continue to govern discussions at the world disarmament conference.

The Secretary-General has suggested in a recent speech that progress on disarmament, whether general or nuclear, would hardly be possible so long as one of the major military powers, which has recently developed some military nuclear capacity in its own right, did not participate. He went on to indicate that when the world disarmament conference is held it should take place under conditions which would make it possible for all countries, if they so wished, to participate in its deliberations. This is the view also of my Government. If a world disarmament conference takes place, Canada hopes that the People's Republic of China will be invited to take part in the discussions.

I would like to come to some aspects of economic and social development. For, in our anxiety over the great questions of war and peace, we must not overlook the connection between those matters and the economic and social circumstances which are the pre-conditions of order and stability. The past 20 years have witnessed the awakening of man's social conscience and the start of an unprecedented assault on poverty, disease and ignorance.

But that is not enough. The gap between the per capita incomes of the developing and developed countries has been widening; the population explosion demands a rapid increase in the momentum of economic development; and debt repayment problems are threatening programmes already launched. The fact is that the flow of development assistance has been levelling off at the very time when the need for it is quickening. This requires resolute action by all of us, collectively and individually.

Speaking for my country, I can say that our recognition of this need is indicated by our response. Last year we more than doubled our bilateral aid programme. This year we are increasing it again. I can state today that, provided a satisfactory charter can be worked out and subject to parliamentary approval, we will join the Asian Development Bank and make a contribution of up to \$25 million to its subscription capital. Elsewhere, we are prepared to embark on the second stage of our special arrangements with the Inter-American Development Bank whereby earlier this year we made available for lending in Latin America the sum of \$25 million; I am now glad to announce that an additional \$10 million will be put at the disposal of the Bank for lending at terms which may extend up to 50 years at no interest charge.

In addition to official governmental contributions, it is significant to note that the people of Canada are becoming increasingly involved, in a more personal way, in helping the developing countries. With government support, more and more funds are being mobilized, and a growing number of trained and talented young Canadians is working in a variety of ways in overseas countries where help is needed.

I want to affirm our strong support for the amalgamation of the Special Fund and Expanded Programme of Technical Assistance on satisfactory terms in a co-ordinated United Nations Development Programme, and for the continuance of the World Food Programme. Canada wants to see the projected new targets for these programmes adopted. I should expect that our own contribution will be in keeping with these United Nations objectives.

Aid alone, however, cannot suffice to meet the growing needs of the developing countries. All countries -- developed and developing alike -- must redouble their efforts to find ways and means of expanding trade and foreign exchange earnings to support essential development programmes. This is why Canada has strongly supported the establishment of the permanent new machinery of UNCTAD, which is starting on its tasks with vigour, imagination and patience, and under able and imaginative direction.

There are no easy or simple answers to the trade problems of the developing countries. One thing, however, is clear. Collective and co-operative answers are better than solutions sought in isolation. This is not a matter of idealism but of practical realism. Things which it would be difficult or impossible for countries to do individually can often be done more satisfactorily if many states take concerted action and share the necessary adjustments. This is true, whether one is talking of tariff reductions or of improved access to markets or commodity arrangements, or the many other important and complex subjects being discussed in the Trade and Development Board.

A modest but promising start has been made. The task calls for the best efforts of both developed and developing countries, and it is one which we must pursue relentlessly.

I cannot leave this podium without referring briefly to the question of human rights, which is of the greatest interest to my fellow countrymen. We cannot concentrate only on material progress, as if this were the only key to human welfare. The dignity and unique value of the human spirit are even more fundamental and can flourish only under conditions of equality and freedom.

The determination we therefore express in the Charter "to reaffirm faith in fundamental human rights" is a vital part of the total crusade in which we are engaged. Canadians attach particular importance to the maintenance and extension of individual rights, to the protection of the institutions of family and faith, and to the removal of all forms of discrimination based on race, colour, sex or religion.

Our concern for human rights arises also from our diverse national origins. Many Canadians still retain a profound interest in the lives of their kinsmen in other lands. Where respect for human rights and freedom and self-determination is not fully assured, or where it is deliberately denied, Canadians deplore these conditions -- believing as we do that those rights and freedoms must be of universal application.

Because of these convictions, we are particularly concerned that the role of the United Nations in the human rights field should be enhanced, and that recent proposals to this effect should be pursued. We support the appointment of a High Commissioner for Human Rights, as proposed by Costa Rica, and will join in co-sponsoring any resolution to this effect. Human rights are of universal significance; their violation must be of universal concern.

In speaking of human rights and freedoms and the general interest in peace and welfare, I am particularly aware of the parallel interests of the United Nations and of churches and other organizations. The institutions in which the religious and philosophical beliefs of mankind are embodied have much to contribute on the many issues we are debating.

Canada notes with the greatest satisfaction, therefore, the intention of His Holiness Pope Paul VI to visit the United Nations and to address the Assembly. He will be welcomed not only as the leader of his own church but as a man whose breadth of sympathy for those of other religious persuasions has been welcomed and reciprocated.

His decision to come can be understood in the context of the developments initiated by his illustrious predecessor, John XXIII, who, in his Encyclical "Pacem in Terris", expressed with perception and prophetic vision the inherent rights of man in his relations with human society and his longing for peace. His visit bears witness to his confidence in and support for the vital role which the United Nations is called upon to play in world affairs.

I have reviewed some of the major international issues with which, in our opinion, this Assembly must now concern itself -- and I do so, jubilant at the thought that procedural controversy does not stand in the way of our getting down to business. What we do about these issues, and how effectively we respond to the responsibilities and opportunities confronting us, depends on our ability and willingness to reach a consensus on policies and actions.

How do we bring this about? What is the most promising approach to decision-making in the General Assembly of the United Nations of 1965? There seem to be two possible answers to this question. One is for the members to think in terms of debating points, votes, and victories for the record. That path, in our opinion, leads to cynicism and sure frustration.

The other approach is for the United Nations to think in terms of undertakings and shared responsibilities -- to strive, in other words, to realize in their collective deliberations that same sense of achievement and responsibility which governments demonstrate in the conduct of their own domestic affairs. That way, in our opinion, lies promise and progress.

A key element in the search for effective consensus is the relationship between the great powers and the balance of the membership. It is a fact, of course, that the special status of the great powers is generally acknowledged. The Charter makes provision for this. But this recognition is accorded with the expectation that those who enjoy the capacity for effective action will accept its accompanying responsibilities; that they will persist in their continuing search for reasonable accommodations; and that the great powers will in turn

recognize that the remaining members each have a role to play which, although differing in degree and sometimes in character, is of great importance. The caste system which characterized the world community of the nineteenth century is vanishing. In its place we are creating a new collaboration among the nations of the world. And I hope that, as events in Asia unfold, it may prove possible, in the interests of this organization and of mankind, to make progress towards what the Secretary-General, in his annual report, has described as "the imperative need for the United Nations to achieve universality of membership as soon as possible".

Finally, we have arrived at a crossroads in the history of mankind's efforts, through the League of Nations and the United Nations, to develop international institutions capable of providing peace. We have come a long way since those unhappy days earlier in the century when faith in collective security appeared to have collapsed with the outbreak of a Second World War. We have been impeded, however, by major clashes of national interest, by the competition of political systems and by our own failures to realize how much had to be done.

We have abandoned, seemingly, the disposition to vituperative debate for more objective discussion. There is no doubt that we have made progress both in our manner and in our posture.

Now we have the opportunity to resume our advance towards the goals set forth in the Charter of the United Nations by a resolute attack upon the chief problems before us. We have it in our power, in this Assembly, to arrest the dangerous course of events and to move on to that peace to which our generation solemnly committed itself after the bitterest episode in human history.

s/c



CANADA

Gov. Doe

Min
E

CANADA. EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/25

CANADIAN YOUTH SERVES THE DEVELOPING COUNTRIES

An Address by the Prime Minister, the Right Honourable
Lester B. Pearson, to the Canadian University Service
Overseas in Ottawa, October 1, 1965.

I am very pleased, Mr. Chairman, to be present at this annual
meeting of Canadian University Service Overseas.

Your organization - started by voluntary initiative and maintained
by voluntary effort - has been aptly described as a spontaneous and vital
counter-thrust of Canadian society to specific international challenges.

The voluntary service on which CUSO is based is a Canadian tradition
which extends back to the earliest days of settlement in Canada - settlement by
people from two great European civilizations, French and English....

To say that CUSO has been a trail-blazer in Canada's voluntary
efforts to help the developing countries of our world is accurate but inadequate.
Such a statement can hardly bring alive the thousands of hours of hard work
undertaken in your organization by all sorts of people.

I have reviewed your work, as outlined in the latest annual report of
your Executive Secretary, and I am most impressed with your programmes and your
achievements. I congratulate all of you for this great effort in the field of
international co-operation.

It was Arnold Toynbee who said: "Our age will be remembered because
it is the first generation since the dawn of history to believe it practical to
make the benefits of civilization available to the whole human race." This
statement by such an eminent historian underlines the greatest challenge
confronting today's industrially-advanced societies: the challenge to assist
people everywhere to enjoy the sort of life which can only exist through decent
educational opportunities, good health standards, and growing economies.

Yet the realization that we now have the capacity to make the
benefits of civilization available to the whole human race seems to be more of
an emotional attitude than a conscious, rational commitment to the cause of
international development. Despite the very considerable efforts of the
Western democracies during the past 15 years, the poor countries of the world
are now worse off economically, compared with the rich nations, than they were
in 1945. The gap has widened between the two worlds.

With our command of technology, we of the Western industrial nations can confidently expect to grow by at least 3 per cent a year. In the developing continents, even that rate of growth is precarious and, when achieved, is swallowed up by population growth. So the prosperity of the rich nations is leaping ahead of the poor nations almost with the speed of rockets to the moon.

Just as, in the nineteenth and early twentieth century, the misery of the masses was the root, for long years, of an underlying threat of violence, so, today, the misery of the dispossessed people, coupled with their "rising expectations", is the chief raw material of world-wide revolutionary violence and subversion -- a movement which, especially in the case of China, is taking on an additional and ominous strain of racism.

Well, we know all this. I am repeating to you things that are in danger of becoming clichés. Yet they are true. We are living on a powder-keg of anger and revolt. We are living in a world so small that the violence affects us all. We are confronted with the risk of international class war. The curious fact today is not that we do not know these things but that a great many people are bored with them and feel less and less obligation to do anything about them. There is a sort of "weariness with well-doing" after two decades of economic assistance, a feeling that not much good has, in fact, been done; that aid has been squandered, and that, even if it got to the people it ought to help, probably they would by then have too many children to get much benefit from it. The mood is thus not so much to deny the crisis but simply to avert national attention from it and then rationalize the indifference by pleading the impossibility of effective action.

One reason for this malaise stems from the nature of our reporting of developments. In foreign affairs, as in most other things, bad news is usually good news. The crises, the eruptions, the violence, the catastrophes -- these are the staples of headlines and stories. All of you know about President Nasser telling the United States to put its aid in the Red Sea and President Sukarno telling the Americans to "go jump" in the Indonesian equivalent of "the lake". All of you know that burning American libraries or stoning American embassies has become a popular "under-developed" sport. All this news produces a certain disillusionment about foreign aid -- certainly in the U.S.A., the country where most of it comes from.

Above all, there is current disenchantment because the value of aid and, related to it, the necessity of peace, seem to be subordinated to political factors that make for conflict which could not only wipe out the benefit of aid already received but prejudice its continuance.

Notwithstanding all this, we should not forget the great successes already achieved in the field of mutual assistance.

In Pakistan over the last five years, industry has been growing by 12 to 15 per cent a year, farming by nearly 4 per cent, national income by 6 to 7 per cent, exports by 7 per cent. This is an economic success story as startling as any in the contemporary world. It has been made possible by sustained, sensible Western aid administered through a World Bank consortium. Yet who knows about it?

Or take India. For the last decade - and in spite of some severe natural disasters - industry has never ceased to grow by less than 8 per cent a year. The country has reversed its tendency to declining output on the farms. Recent grain harvests are the highest in history. None of this would have been possible without consortium aid.

These two countries together - India and Pakistan - make up nearly 50 per cent of the developing world. Their aid programmes are the largest and the most truly multi-national in the West. We didn't hear much about them. But we hear today, every hour, inevitably and necessarily, about the tragic possibility of war between these two Commonwealth countries, which could reverse, perhaps beyond recovery, the progress that has been made by them.

We can add to the successes of mutual aid one overall consideration. In 1945, it must have seemed to the Communists that the poverty-stricken, under-developed, colonial world would be a "push-over" for Communism. Lenin, indeed, suggested that the way to world control would lie through colonial revolution. Twenty years later, all through the developing nations, there is dynamic change occurring - but within the framework of an open, plural world. This, in part, is the achievement of economic assistance. Could one ask for a more vital success?

While there is bound, then, to be a deep concern over current conflicts between countries whose people we wish well and desire to help, this should not be permitted to determine our own attitude toward foreign aid or developing peoples. Nor should it be determined by the mere calculation of success or failure of past efforts.

Having set in motion the processes of growth and welfare and modernization, are we to withdraw our interest as the process develops or as the going gets tough?

I believe that what distinguishes our Western civilization from all other human cultures has been its profound sense of social and moral obligation. From our Hebraic roots we derive this sense of God's compassion for the poor and the needy and God's judgement on the wealthy who do nothing about these needs. It is not Dives but Lazarus who sits in the bosom of Abraham. It is not the Pharisee but the Publican who finds favour in God's sight. Those who feed the hungry and clothe the naked are God's people, even if they have never heard of Him. Those who do not, can cry "Lord, Lord" until judgement day and will be rejected just the same.

Why should we think that our Western world, with its vast and growing resources, is in some way exempt from the judgements of history and of God? Have the deepest moral imperatives of our civilization been abrogated just because, at last, we have the resources to fulfil them or those whom we wish to help at times disappoint us?

Canadians have played an active role in this story of international aid and development. The record is well known to you. Of course we have not done enough. I doubt that any amount of assistance will ever be enough. But my Government intends to increase our foreign aid allocation substantially in the years ahead.

Gov. Doc
CANADA
CANADA EXTERNAL AFFAIRS,
DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/26 THREE LINES OF APPROACH TO CANADIAN FOREIGN POLICY

Notes for an Address by the Honourable Paul Martin,
Secretary of State for External Affairs, at a Concert
Celebrating the Twenty-fifth Anniversary of the
Ukrainian Canadian Committee in Winnipeg, on October 10,
1965.

Mr. Chairman,

I should like to thank you and other members of the Executive of the Ukrainian Canadian Committee for the invitation you extended to me to attend the celebration of the twenty-fifth anniversary of your organization. I am very pleased to be present on such an important occasion and to be able to greet all of you who are taking part in the celebration.

In looking back over the activities of these 25 years, you will undoubtedly derive great satisfaction from the accomplishments of your organization in helping to preserve the finest in Ukrainian traditions.

The contribution of this important element to Canada's national life dates back much longer, of course, to the time, almost 75 years ago, when Ukrainian settlers first came to Canada. Their devotion to the centuries-old culture of their homeland enabled them to transplant it successfully in Canadian soil.

You, as the descendants of the first settlers, have given your first allegiance to Canada and your devotion to the general traditions on which this country is based. You have combined with these loyalties the preservation, in pride and dignity, of unique cultural values from European civilization, which are of interest and benefit to us all. I can speak for Canadians of other origins in commending you for the contribution which you are thereby making to our national life.

I am also particularly aware, from contacts with your representatives, of the keen interest shown in world affairs. You have undoubtedly reviewed your own activities of the past 25 years in the light of world developments during that period. It might be appropriate, therefore, for me to indicate the part played by our own country.

First, pending the attainment of universal collective security, we must maintain regional security, strengthen those traditional associations with other free nations on which a good deal of world security and progress depends and pursue all the normal interests, such as trade and immigration, on which our own national well-being has also depended.

Second, at the same time, we must pursue vigorously in the United Nations the objectives of peace, economic and social welfare and human rights. We must cultivate friendly relations with the newly-independent nations and with all states in the spirit of enlightened internationalism.

Third, Canada and like-minded nations must take all opportunities in direct relations with the Communist nations to make our intentions clear, to respond to changes in the Communist world which offer possibilities of a more normal relationship and to advance specific interests of trade, information and protection of individuals. In this way, some of the basic tensions affecting the world generally may be lessened.

Most aspects of the external policies of the Canadian Government can be related to one or more of these basic requirements. Some of the more important of these policies might be mentioned by way of illustration.

The North Atlantic Alliance, which Canada helped to create, has completed 16 years of existence, and there is general agreement among the members that the need for such a defensive association remains very great. With the security and self-confidence which this Alliance provided for the area it covered, Western Europe has effected a remarkable recovery from the effects of the war. The nations of Western Europe have gone ahead with the North American members of the Alliance to make their contribution to security and welfare elsewhere in the world.

There are, as you know, debates and disagreements within the Alliance about the exact nature of the organization required to fulfill the purposes of the agreement, about the degree of integration of forces required and about control of nuclear weapons. These questions pose major problems of policy; they also provide evidence of the seriousness with which members view matters affecting their security and of their desire to have the structure of the Alliance reflect changing conditions. In spite of differences over method and procedure, all NATO leaders are agreed about the danger of aggression which makes an alliance imperative.

A few days ago, I had the pleasure of meeting the Secretary-General of NATO, Signor Brosio, in New York and of discussing matters of mutual interest with him. I shall have the privilege of acting as Honorary President at the next NATO Council meeting in December. I can testify, therefore, to the importance which is attached by the Government to a relationship among nations which transcends the idea of a mere military alliance and will continue to develop, we trust, into a permanent association of peoples with common traditions and ideals. I can also testify to the basic unity of purpose of the Alliance.

Our defence links with the United States are closely related to our NATO commitments. Since we are looking back together over 25 years of Canadian and world affairs, we might recall another significant anniversary. On August 18 of this year, the Honorable Averell Harriman represented the United States Government and I represented the Canadian Government in a ceremony at Ogdensburg, New York, commemorating the twenty-fifth anniversary of the declaration on defence partnership between Canada and the United States made in that city by President Roosevelt and Prime Minister King.

We made use of this occasion on behalf of our two governments to reaffirm the necessity of continuing to co-operate intimately in the defence of our continent within the broader framework provided by our joint membership in NATO.

These, then, are a few examples of our response to the first of those imperatives of foreign policy, that of securing regional security and reinforcing traditional associations.

It has always been clear to us, however, that we could never protect our own interests properly or help to obtain the type of international community we wanted if we limited our efforts substantially to the Atlantic, North American or Commonwealth areas or associations. The experience of the past pointed to the necessity of collective effort at a universal level in an increasingly inter-dependent world. The very associations I have mentioned logically demanded action on a wider scale, because ultimately none of their objectives can be met in any other way.

A little over two weeks ago, the Canadian Government set before the General Assembly of the United Nations what it considered to be the most urgent and important objectives of the organization in the current session. In communicating these views to the General Assembly in a speech on September 24, I pointed out that the Assembly had an opportunity, after a year and a half of frustration and inaction arising from a dispute over peace-keeping costs, to enter into a new period of creative action by dealing with the most challenging of the problems before it. I should like to emphasize again what these problems are.

It is our deep conviction that, although we would fight to defend ourselves, a new world war could mean the end of our civilization. For this reason, the prevention of war by deterrent force and by all the means of collective action or conciliation remains our highest duty. The war in Vietnam and the dangerous situation involving India and Pakistan are not only tragic in themselves but could initiate wider conflict.

The United Nations had to take urgent action to deal with the dispute between India and Pakistan and, in doing so, has had, as you know, the declared support and practical assistance of Canada. In the Vietnam conflict, we appealed to the Assembly to use whatever influence it had to bring about a negotiated settlement which would guarantee that the people concerned would be able to proceed, with the support and encouragement of the international community, to choose for themselves the path they wish to follow.

Bringing open conflicts to an end is only one part of the United Nations role, of course. We have stressed the necessity of dealing with underlying causes and of strengthening the ability of the United Nations to act decisively at an earlier stage in conciliation, and also as soon as local conditions make peace-keeping intervention essential.

In the field of disarmament, we have not allowed the obvious difficulties impeding rapid accomplishment of general disarmament to deter us from trying to make progress with various collateral measures which could lessen tension and create confidence. Canada has worked with other Western and unaligned nations to introduce measures limiting the spread of nuclear weapons, stopping all test explosions and finding methods of verifying explosions.

On the basis of our own experience in all United Nations peace-keeping operations and of our recent initiative in stimulating study of the technical problems involved, we have stressed before the Assembly a number of principles concerning the costs of such operations and the respective responsibilities of the Security Council and the General Assembly. We have insisted that progress in this field was obligatory if members were to live up to the commitments they had undertaken in signing the Charter.

Finally, our response to our global obligations must include action on a broad front in the field of economic development. The Canadian statement expressed concern at the widening gap between the per capita incomes of the developing and developed countries and called for resolute action by members, collectively and individually, to increase the flow of development assistance. We have ourselves doubled our bilateral aid programme last year and we expect to increase it again this year. In addition to programmes already under way in Colombo Plan countries and in other Commonwealth and French-speaking African states, we have now made more funds available for development in Latin America and we expect to join the Asian Development Bank.

In speaking of this international assault on poverty, ignorance, disease and injustice, I know that I can count on the sympathy of Canadians. How many people have arrived here in the course of our history seeking relief from these very conditions! How much hard work and hardship have been necessary to make our land flourish! Our relations with the rest of the world must always take into account the economic and social facts of great concern to the developing countries.

But there are other causes, too, which move us because of our own experience, our own deepest convictions and the rich cultural fabric of our nations.

In speaking to the General Assembly I emphasized these convictions to the delegates of other nations in these words:

"We cannot, however, concentrate only on material progress as if this were the only key to human welfare. The dignity and unique value of the human spirit are even more fundamental and can flourish only under conditions of equality and freedom.

"The determination we, therefore, express in the Charter 'to reaffirm faith in fundamental human rights' is a vital part of the total crusade in which we are engaged. Canadians attach particular importance to the maintenance and extension of individual rights, to the protection of the institutions of family and faith, and to the removal of all forms of discrimination based on race, colour, sex or religion.

"Our concern for human rights arises also from our diverse national origins. Many Canadians still retain a profound interest in the lives of their kinsmen in other lands. Where respect for human rights and freedom and self-determination is not fully assured or where it is deliberately denied, Canadians deplore these conditions -- believing, as we do, that those rights and freedoms must be of universal application.

"Because of these convictions, we are particularly concerned that the role of the United Nations in the human rights field should be enhanced, and that recent proposals to this effect should be pursued. We support the appointment of a High Commissioner for Human Rights as proposed by Costa Rica, and will join in co-sponsoring any resolution to this effect. Human rights are of universal significance; their violation must be of universal concern."

In conveying these beliefs of the present Government to the United Nations, I was able to maintain, in terms appropriate to the present world situation, a Canadian emphasis on the universal validity of certain principles of human rights, political freedom and self-determination.

On other occasions, in the period we are considering, under the stress of events which shocked the Canadian public, Canadian leaders have made their devotion to those principles clear. I am thinking, for example, of the eloquent warning delivered by Mr. Pearson, then Secretary of State for External Affairs, before the General Assembly in 1949, at a time when a Communist takeover, or the fear of it, darkened the lives of many. Not all the "impassioned eloquence" of Soviet representatives, he said:

"... can convince us that these peoples, of their free will, happily and confidently have entrusted their destinies and their persons to the Soviet Union.... The fact that the Soviet Government finds it necessary to cut off the inhabitants of its territories from all normal contacts with other countries is to us convincing evidence to the contrary."

I recall the words of the Right Honourable Louis St. Laurent, then Prime Minister, when he wrote to Marshal Bulganin in November 1956 about the tragic events in Hungary. "I can assure you," he wrote, "that I speak for the whole people of Canada in expressing our horror at the suffering of the Hungarian people as a result of their efforts to obtain the freedom to choose their own type of government.... The Government and people of Canada have no desire to influence the form of government chosen by the peoples of Eastern Europe. Our only aim is that they should be free to do so and that the governments so chosen should steer their own independent courses...."

Since the times I am referring to, there have been some improvements. There have been greater contacts with the West and easier internal conditions. There has developed among the smaller Communist nations in Eastern Europe a greater freedom of action in defining national interests. The appeals of Western leaders have played a part in this process. And yet situations remain which are the most shocking examples of injustice and which throw a peculiar light on what Communist leaders may mean by coexistence.

Last year, in visiting Berlin, I had occasion to see how the most elementary human rights of free movement and family association are denied by that Wall which cuts a great city in half. In speaking at the West Berlin City Hall, I said that the Wall appeared to me, a Canadian, as the "cruel and desperate act of a regime which feared, for good reason, competition with a free society and could only resort to force".

In expressing their attachment to what they consider to be elementary principles of social justice, Canadian leaders have been influenced by the experience and insight of many groups making up Canadian society -- the Ukrainians, Finns, Estonians, Latvians, Lithuanians, Poles, Hungarians, Roumanians and many others who have had vivid experience of injustice. But I am not pledging the faith of the Government to any principles of human rights which do not also emerge from the beliefs of the founding races - the British and French, - or from the beliefs of other races who have entered into our society. The expression of strong feeling and the choice of a wise national policy to give effective expression to that feeling can only come from a national consensus of conviction and wise judgment.

I turn, therefor, to the third theme of my address, to the question of how, under present circumstances, we are to conduct our direct relations with Communist countries. The differences between us and them are only too obvious. Is there hope of achieving some amelioration of conditions which could be significant in the terms of the convictions which you and other Canadians share?

The firm insistence on maintaining our own defensive capacity is part of the relationship between ourselves and the Communist countries, but we cannot sit back behind our lines and neglect opportunities to lessen tension and change some political realities. Nor can we, unfortunately, count on common membership in the United Nations to achieve a better understanding without a considerable supplementary effort in bilateral relations.

In this area we cannot, of course, allow ourselves to lose sight of the stubborn issues still at stake between us and the Communist world: fundamental issues such as German reunification, European security and general and controlled disarmament. There is little visible evidence that the Communist world will be ready to co-operate in resolving these issues in the near future. These are hard facts.

But it is equally a fact that, since the Cuban crisis of 1962, there has been a tendency, at least on the part of the Soviet Union and the other Communist countries of Eastern Europe, to work towards a certain easing of tension -- the development of an atmosphere in which a realistic policy on both sides could produce some positive results.

The Soviet Union clearly expects favourable results for itself from this development, since we can be sure that its leaders are acting from a shrewd calculation of self-interest. We, too, intend to be hard-headed in dealing with the opportunities and risks involved. If we are cool-headed as well in assessing the realities that lie behind propaganda and ideological language, there can grow up a recognition on both sides of common interests on which further agreements could eventually be based.

We can see this happening in the growing willingness of Communist countries to expand trade, contacts and exchanges with the rest of the world. In the past, many Communist leaders feared that it would be dangerous for their own people to be allowed too much contact with the more economically-advanced countries of the non-Communist world. But now some Communist countries begin to see that they have to take that risk since those who isolate themselves from technological and scientific advances may fall further behind.

There are also fields in which we can learn from them. On both sides, there are advantages in knowing what is going on in the technical field abroad, regardless of social and political systems. As a result, growing numbers of Communist leaders have recognized that they can no longer maintain the traditional barriers and we Canadians who have always prided ourselves on our open society are, of course, prepared to open our doors on a basis of reciprocity.

Certainly, state authorities in Communist countries try to extract immediate political benefits from these growing contacts, sometimes in ways unacceptable to us. This is where a hard-headed assertion of our interest is our best defence. We can and will co-operate if the advantages are reciprocal. But we do not intend to allow political action by visitors here, for example, when anything comparable is obviously ruled out for Canadian visitors to their countries. Nevertheless, experience shows that, in practice, over and above the immediate benefits which trade and exchanges confer on both sides, such contacts have set in motion long-term trends whose importance could be very great; in the short term, we must have no illusions about quick results.

In considering the value to us in the long term of contacts with the Communist countries, we must take account of some developments within Communist society, particularly within the Soviet Union. It seems obvious that the Soviet Government has become sensitive not only about some questions of individual rights or about real economic incentives or more relaxed conditions for artistic expression but also about the position of various racial groups within the country.

It is not unnatural that this should happen, since theoretical Communism can scarcely solve all problems of this latter type. If these developments can be attributed not only to internal causes but also partly to outside influence, then we might well consider what could be the consequences for the racial groups I have just mentioned of prolonged and more varied contacts with non-Communist countries. I have no doubt of our ability, given the reciprocity in contacts on which we insist, to manifest our values in peaceful competition in such a way that the desired humanization of Communist societies could be advanced. We should, therefore, seek appropriate contacts because there are discernible long-term benefits in terms of the humanistic goals to which you and I and most Canadians subscribe.

Even under present political conditions, we do whatever is possible to make limited advances towards those goals. Through diplomatic channels we try to effect improvements in contacts and communications and in the solution of the personal problems of individuals and families.

I am happy to be able to tell you that we have, over the past 18 months, been able to make distinct progress toward resolving the long-standing and tragic problem of the reunification of families separated by the Second World War and its aftermath. Our consultations with the Soviet Government have met with a positive response, with the result that the number of people coming from the Soviet Union to rejoin their families in Canada after years of separation has more than doubled.

Many families remain divided still, but we are maintaining our efforts, encouraged by the emerging Soviet readiness to work with us in eliminating this legacy of past miseries. We can be hopeful that before long those still waiting will be happily reunited at last. Such an outcome will not only resolve a tragic human problem, but will do much to consolidate the basis for sounder relations between Canada and the Soviet Union.

In considering questions of particular interest to groups in Canada, we are very much aware also of their profound attachment to the culture of their homeland and could only lament, as an irreparable loss, the destruction by fire of the library of the Ukrainian Academy of Sciences at Kiev last year. I am sure, however, that interested groups will lose no opportunity of maintaining contact with the abiding elements in that culture and with their kinsmen.

In ending my remarks on some of the main aspects of Canadian external policy, I return to the question which must be in the minds of all of us in thinking back over the past 25 years. Have we applied the lessons of our experience in the formulation of policy and are we in a better position than we were in the years immediately preceding and following the Second World War? The answer is an unequivocal yes.

I do not want to underestimate the dangers and disappointments of the contemporary world or the magnitude of unsolved problems. I do say, however, that the response of the Canadian people and of successive governments to the challenge of world affairs has been the right one.

We have recognized common dangers in the world, admitted our dependence on others in meeting those dangers and thus developed our real strength in collective action. We have made a contribution to world affairs arising less from traditional attributes of power than from a desire to achieve a world community in which all nations could find a secure and prosperous place. We have met dangers and serious problems with a vigorous but controlled response. We can all take some pride in this.

Beyond our own borders, I am heartened to reflect that Canada is associated with nations in every part of the world genuinely committed to peaceful change, to the rights we cherish and to welfare sought co-operatively. Regardless of their individual size, wealth or power, these nations have in their hands the moral leadership of the world.

Gov. Doc
Cen
E

CANADA. EXTERNAL AFFAIRS,
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES



INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/27

PROSPECTS FOR PEACE KEEPING

An Address by the Honourable Paul Martin,
Secretary of State for External Affairs,
at Radcliffe College, Cambridge, Massachusetts,
on November 17, 1965.

I am honoured, Mr. Chairman, by your invitation to speak here in the series of the Dag Hammarskjöld Memorial Lectures sponsored by Radcliffe College and the Harvard-Radcliffe World Federalists....

This is an occasion, however, on which we are concerned less with the United States and Canada and our own familiar continental horizons than with world events and the role of the United Nations. No one who had any connection with Dag Hammarskjöld, or was at all aware of the great events in which he was involved, would, of course, need to be reminded of a man distinguished by great gifts of mind and character. I am glad, however, that so many universities have chosen to sponsor memorial lectures as a means of carrying on the public discussion of the organization of world society to which the international public servant whom we are honouring made so many brilliant contributions.

Dag Hammarskjöld made many of his most memorable comments on the problems of world security and welfare when he had to analyze intricate constitutional questions within the United Nations and delicate matters of international diplomacy.

I have chosen the subject "Prospects for Peace Keeping" because it leads us immediately into specific and difficult questions of policy concerning which generalities about support of the United Nations are not of very much help. I should like, as a member of the Canadian Government personally involved in decisions about these questions, to comment on what appear to me to be the fundamental questions at issue and to tell you of the action which Canada has taken or is advocating.

The questions now being debated in New York have to do with the responsibilities of the Security Council and the General Assembly for the initiation, control and financing of peace-keeping operations.

Since we tend to think of a great many activities of the United Nations as being devoted to peace, it might avoid misunderstanding if I defined, as carefully as possible, what these activities are. The United Nations has a number of means available to it to maintain or achieve international peace and security. I am not here concerned with enforcement action against an aggressor -- the Korea type of operation. Only the Security Council is likely to be able to carry out such action. I am not concerned either with procedures for peaceful settlement of disputes before they reach the stage of conflict. These procedures of conciliation, arbitration, mediation -- what we now call peace building -- do overlap with peace-keeping operations but they do not by themselves lead at present to any serious disagreement within the United Nations.

Between conciliation and enforcement there is peace keeping. I am referring to the United Nations Emergency Force in the Middle East and to the United Nations operations of varying kinds, with the most complicated titles, in the Congo, Cyprus, Kashmir, Lebanon and in other locations, which have either been terminated or are still under way. In such projects the essential aim of the United Nations is to interpose its presence in situations of conflict or potential conflict until longer-term solutions can be worked out at the political level. These operations have not been mandatory and were not meant to be coercive. The forces, groups or individuals manifesting the United Nations presence have entered the territory of the state concerned only with the consent of the authorities there. They have carried out diverse functions -- observation in areas of conflict, patrolling cease-fire lines and frontiers or assisting in the preservation of order.

It is with this peace-keeping sector of the United Nations' wide range of responsibilities that I am concerned. The dimensions of the problem we now face in this field are very great. Although there are developments from time to time which give hope of a solution, there is a continuing and fundamental disagreement about the role of the United Nations in the domain of international peace and security. The frustration and paralysis in General Assembly activities in the past couple of years and the possibility of a major confrontation over voting rights show how serious the problem has been.

At the present time the United Nations has an accumulated debt somewhat under \$100 million, resulting chiefly from the refusal of some members or the disinclination or avowed inability of others to pay their share of the costs of peace keeping. This debt presents serious problems for the United Nations but not because the amount is too great for the members as a whole to bear. So far as the money itself is concerned, we should remember that the Secretary-General calculated last year that the total expenses of the organization in 1964 -- including peace-keeping costs -- amounted to about a quarter of one per cent of the defence budgets of the leading military powers alone. The real problem is that two great powers, the Soviet Union and France, both permanent members of the Security Council, insist, from somewhat differing standpoints, that contributions requested from them for peace-keeping costs are either illegal or optional. There is disagreement about the principles which should determine an equitable sharing of the financial burden of peace keeping and, as a result, this burden is, in our opinion, unfairly distributed.

In commenting on the differing viewpoints and on the continuing need for peace keeping, I should like to emphasize one essential point. The United Nations can only with difficulty undertake important initiatives in areas of direct or major great-power interest. In terms of such interests, peace-keeping operations are most likely to be in peripheral areas. There are, however, degrees of remoteness. How remote, for example, is Kashmir from great-power preoccupations? If we are considering the nations allied in NATO and the Warsaw Pact, it is possible to say that in this area there is a balance of military power, a recognition of respective positions on certain matters such as German reunification or Berlin, with which the Security Council as such is not likely to deal. But Cyprus is of direct and continuing concern to members of the NATO alliance.

Outside the NATO-Warsaw Pact area, there are the complicated and changing great-power relationships involving Communist China. There are areas where the entry of new nations into the world scene, the recurrence of old animosities, conflicts of race and religion or economic and social instability could lead to threats to the peace of the world as a whole. These threats to regional peace could involve, with varying degrees of intensity, the great-power clash of interest. Whether we like it or not, our world has achieved a degree of common involvement in political and economic affairs which requires an attempt at common management. The Prime Minister of Tanzania, Julius Nyerere, who can speak for a continent well aware of this fact, made the point vividly when he said that "all nations border on each other - no sea, no range of mountains, constitutes a barrier to events outside"....

The Security Council is still formally seized of 69 matters affecting international peace and security -- some admittedly dormant, but many containing the threat of serious conflict. One would have to be optimistic almost to the point of complete naivety to believe that the need for United Nations intervention will diminish. This is not a question of trying to solve all problems or trying to achieve universal peace overnight. It is a question of trying realistically to limit some of the risks to world peace in areas where United Nations action is a practical possibility.

It has never been assumed, of course, that immediate action by the United Nations would be desirable or possible in all areas where peace was threatened. There is not only the limitation already mentioned arising from great-power involvement. The Charter anticipates the possibility of action by regional agencies consistent with the purpose and principles of the United Nations. The United Nations and regional agencies have complementary roles to play and there is no doubt that these agencies can contribute effectively to peace both in conciliation and in peace keeping. The United Nations must, however, retain ultimate responsibility for all developments affecting peace and security. It might have to supplement regional action and it alone would be responsible for enforcement. The United Nations must be able to respond to all these needs.

From the consideration of need we turn to the consideration of interest and intention on the part of member states. Do most nations want the United Nations to go on with peace-keeping operations?

The most obvious answer to that question is that no government within the United Nations has, so far as I am aware, opposed the general idea of United Nations intervention of the type described. Not one of the peace-keeping operations which have been undertaken by the United Nations could have been initiated without the tacit support of the majority of the members and the active support of a significant number of states willing to contribute in terms of political negotiation, men, materials and money.

The difficulties of obtaining great-power agreement, the complexities of the local situations requiring peace-keeping action and the doubts of some members that they stood to benefit directly, may have affected the views of some governments which have not contributed much on the financial side. There are, however, important reasons of national interest which, in the long run, support peace keeping.

Dag Hammarskjöld pointed out, quite rightly, that it was the unaligned nations, those nations not protected by membership in some relatively stable power system, which would derive the greatest benefit and sense of security from a vigorous United Nations. We talk now of making a world safe for diversity, of having differing political systems, various regional alliances and a multiplicity of sovereign states exist together without the threat of annihilation, disastrous conflict or continual friction. This objective has evident appeal for newer nations, which are anxious both to preserve newly-found sovereignty against any rude intervention by force and to get on with economic development. The United Nations cannot give them any categorical assurances as to such conditions, but it is one institution to which they can turn for help of all kinds without commitment to blocs or political systems.

These calculations of national interest reinforce long-term support for peace keeping, so far as many states are concerned. In addition, the United States and Britain give peace keeping their active support, and a number of middle powers, of which Canada is one, are willing to use those elements of strength and security in their own positions to advance United Nations interests.

We come, therefore, to another fundamental question about peace keeping, that concerning its actual effectiveness on the spot. Here I should like to remind you of the very considerable differences between various types of peace-keeping action. The disputes over the financing of major operations, involving the movement of armed forces into the Middle East in 1956 and the Congo in 1960, have tended to focus attention on action of this type. We are, therefore, inclined to forget what has been done by groups of unarmed military observers or by other missions manifesting the United Nations presence under conditions of great tension. Peace keeping in Lebanon in 1958, for example, involved the very effective use of observers. The conception, execution and termination of the task showed how decisively the world community could manifest its presence in helping to achieve stability. Other observation and truce-supervision missions in the Middle East and Kashmir have rendered important assistance in ending hostilities.

Peace keeping involving the use of armed forces has presented special problems. There is now not much doubt, however, that multi-national forces under United Nations control can be mounted and despatched and can commence and carry through their specific functions with considerable efficiency. Hammarskjöld referred correctly to "possibilities for inter-national organization which, once proven, cannot in future be disregarded". The critics of operations administered by the Secretary-General have probably been alarmed by the very speed and good order with which action can be taken. Even in the Congo, where conditions developed in a very dangerous way, rapidly getting beyond the point at which one might envisage effective peace keeping, the discipline and imaginative diplomacy exhibited by those acting for the United Nations was truly remarkable.

The long-term results of peace keeping naturally cannot be judged so quickly or so definitely. The United Nations Emergency Force remains in the Middle East. The Congo operation was concluded only last year. Cyprus is still in a dangerous state and the Kashmir issue has flared up again and broadened. Prospects for permanent stability in an area cannot be easily measured at short range. Peace keeping has not been expected, by itself, to solve basic problems leading to conflict. It is intended to prevent them from getting beyond the possibility of negotiation and diplomatic procedures and perhaps to introduce some lasting elements of stability and confidence into a situation. We must not be too surprised or disappointed when parties to a dispute are slow in working out a political solution. The United Nations is like an army which has committed forces to battle and secured some initial objectives with impressive but limited victories; it must still pursue a long campaign.

We must, of course, see peace-keeping techniques as being essentially diplomatic ones, used in harmony with the realities of power in the world, in order to achieve as much as possible in the way of order, peaceful change and the elimination of dangerous friction."

Considering the problem from this realistic standpoint, I would say that sending observer and truce missions to several areas of the world, placing forces in the Middle East after the Suez crisis in 1956 to prevent further fighting, assisting authorities in the newly-independent Congo in 1960 to establish order under conditions at times approaching chaos, and landing troops in Cyprus in 1964 to help prevent a civil war that might have led to an inter-national war in a very sensitive area, were the only practical and positive decisions the United Nations could have made. These decisions, the follow-up action and the accompanying negotiation inside or outside the United Nations have almost certainly helped to avoid greater disasters. There may be much to learn from experience, but peace-keeping operations do offer promising techniques for the United Nations in its general role as an agent of inter-national peace.

These are what seem to me to be the fundamental issues one must examine before commenting on the specific matters now in dispute or considering future prospects. There is very likely to be a continuing need for such operations. They are likely to enjoy fairly wide support. They can, in fact, be carried out efficiently and offer opportunities for durable settlements.

One might suppose, therefore, that in this field there was some hope of co-operation at all levels in the United Nations based on a common interest.

Unfortunately this is not the case. The dispute over the powers of the General Assembly in initiating, controlling and assessing the sharing of the costs of peace keeping has its roots deep in the history of the United Nations. It is not possible to review that history now. We can merely note that the United Nations has reached a very difficult point in its history; it has an accumulated debt, a patchwork of payment arrangements for operations under way and a constitutional crisis over responsibility for peace keeping.

Future developments in this field depend very much on the general international atmosphere, and particularly on the relations between the Soviet Union and the United States. They are, therefore, not easy to predict.

The Soviet Union believes that only the Security Council can take decisions on questions relating to the establishment, financing and use of United Nations forces. It is using all the arguments it can muster from the Charter and all its power and influence to make its point of view prevail.

The Soviet Union can impose a kind of financial veto and is doing so. It has, of course, made a very general commitment to contribute voluntarily to a fund to overcome the debts, in recognition of the fact that the majority of nations did not finally force the issue over the loss of voting power. I hope that it will make this contribution during the current Assembly session and that others also will help voluntarily to restore United Nations solvency. If the Soviet Union makes this contribution, however, it will undoubtedly extract as much benefit as possible from this act in trying to ensure that its views prevail in the future. If they do, then the Assembly would have little significant power in the peace-keeping field and the Secretary-General and the Secretariat, on whose prompt and impartial action so much depends, would be hampered seriously in their tasks.

Complete control of peace-keeping operations by the Security Council would not, of course, end all such operations or prevent any firm recommendations on world crises. The Council took a vigorous stand on the India-Pakistan conflict in September and the observation and truce supervision role of the United Nations in that area has been extended. Already, however, the Soviet Union is objecting to the follow-up actions taken by the Secretary-General to help arrange a cease-fire.

Clearly it would be undesirable if the Soviet Union were able to impose its more restrictive interpretation of the United Nations role on other Council members or on the membership as a whole. There are occasions when it is essential for the Assembly, acting through middle and smaller powers, to attempt as balanced a solution as possible.

The position of France is, of course, different from that of the Soviet Union, both with respect to motivation and with respect to compromise solutions which might be found. It is a rather conservative and restrictive position so far as the possibility of effective peace keeping is concerned. As a result, France seems unlikely to play a role in the field of United Nations peace keeping commensurate with its wide influence and contacts in world affairs.

The attempt of some permanent members of the Council to return to the assumptions of 1945 meets, of course, with the stubborn opposition of other permanent members and of many other nations. A great deal has happened in 20 years. The General Assembly, which now has a great many more members, has shown that it can act effectively and responsibly. It is most unlikely to override great-power interests. For one thing, the realities of economic and military power put important limitations on too ambitious schemes for United Nations action. But the diffusion of political power means that there are many areas in which middle and smaller powers should and do take a lead in international action.

These are the realities of the clash within the United Nations and they would seem to demand a compromise or negotiated settlement. In that settlement appropriate weight must be given to all relevant considerations -- the proper functioning of the Charter, the particular responsibilities of the permanent members of the Council, the interests and obligations of the middle powers which, in fact, are the major participants in peace keeping and the rights of the membership as a whole.

I have already spoken in considerable detail about fundamental questions at issue, and I do not intend, therefore, to discuss the various complicated formulas put forward for passive acceptance of certain decisions, for opting out of financial obligations or for sharing responsibility between Council and Assembly. These discussions and negotiations will go on for some months yet, probably until the 1966 session of the Assembly.

What I should like to do in this concluding section is to outline the essential points in the Canadian position. I may say that, on the important issues currently under discussion, we find ourselves very close to United States positions. I might also take this occasion to pay tribute to the way in which the United States, with all its other preoccupations as a great power, has given unstinting political support to United Nations peace keeping. Canada has taken part in most peace-keeping operations and can appreciate that, without the logistical and financial support of the United States, they could not have been established and maintained.

The Canadian Government has stressed that the first priority is to restore the United Nations to financial solvency. We have pledged a voluntary contribution ourselves, and hope that as many nations as possible will respond to the need. These voluntary contributions do not require commitment to particular theories about responsibility for peace keeping in the past or in the future. Overcoming the accumulated debt would be one important step towards creating confidence and defining an area of common interest from which we could try to reach a new understanding about peace keeping.

The Canadian Government has also proposed that the United Nations improve its capacity for prompt action in the peace-keeping field by preparing in advance for emergencies. Last November, a conference was convened in Ottawa with representatives of 23 countries which have shown special interest in peace keeping in order to discuss some of the technical and military aspects of these operations. The exchange of views and experience was helpful and of benefit to the United Nations. We should hope that, if agreement is worked out

on the constitutional issues, the Secretary-General would be able to take on this kind of advance planning and co-ordination. If this proves impossible, we would be ready to consider, with our friends, how best to carry on the work begun at Ottawa.

On the central issue under debate, Canada has given full recognition to the primary responsibility of the Security Council and, in particular, to the responsibilities of the permanent members for the authorization of peace-keeping operations. We have insisted, however, that the General Assembly should retain its residual rights in this general field of international peace and security, in case the Council cannot act effectively. We are convinced that there is a common interest which can be found by serious negotiation and defined for the guidance of the organization in the future.

We have also laid particular stress on the necessity of a broadly-shared responsibility for financing. If it becomes the rule, voluntary financing by limited numbers of member states will undermine the moral authority of the United Nations. To achieve the greatest possible political effect, a United Nations mission, observer group or force should represent the moral commitment of as nearly universal a group of nations as possible. We recognize the special problems of the less wealthy members and admit the difficulty of compelling a sense of universal obligation, but if the final effect of compromise is that a comparatively few nations make the real effort, financial and otherwise, to meet the need for United Nations action, then the success of the action will be prejudiced from the start.

Finally, I would point out that we not only recognize the primary role of the Security Council in international peace and security, but hope that the Soviet Union would do something to bring the United Nations back to the real hopes of its founders in 1945. It would be an indication of a significant desire for co-existence if that nation tried to give meaning to the concepts of 1945 in the context of the realities of 1965, even in limited areas of the world. If the Soviet Union really wants to look again at the Charter arrangements for assembling forces under the Military Staff Committee of the Security Council (an organ which has never functioned), then we and others would be glad to consider how such arrangements could be made. If the Soviet Union really looks forward to an international force protecting a disarmed world, then I cannot think of a project which governments -- or peoples -- would view more joyfully.

There is a condition, however, to our support. The condition is that discussion of such projects should not be used to confuse, impede or delay urgent peace-keeping action or the achievement of a firm understanding now as to legitimate Assembly powers. Let us eliminate the debt, find equitable continuing financial arrangements, and define some powers. There will then be ample further opportunities for co-operation.

The majority of member states, in deciding not to insist on a strict application of Article 19 about voting powers, respected the position of a great power which could not be compelled. They expected that the Soviet Union would seek a statesmanlike solution that would both protect its legitimate national interests and take into account the wishes of the majority with respect to United Nations capacity for peace keeping. They gave the Soviet Union the

benefit of any doubt as to its interest in peace, and they now await constructive Soviet suggestions. There was no general surrender to Soviet views, and obvious abuse of its position by a great power would call forth a vigorous reaction from others....

I agree with U Thant who observed in an extensive report on the subject this summer, that there is danger that much of the controversy will, at times, seem "somewhat academic in nature" if we confine it to fine points of Charter interpretation. It is the vivid realities of particular peace-keeping operations which we must keep before us -- the men, the organizational effort, the risks and the accomplishments and all the visible evidence of United Nations presence and prestige in troubled areas. The subject is not an academic one for me. I think of the Canadian troops I have visited in Cyprus, where they wear the blue beret of the United Nations and maintain an international presence in an area only too susceptible to violence. The world has experienced enough of the paralysis of fear and indecision and of annihilating war. It is good to see, in the operations I have discussed, evidence of courage, reason and civilized order.

There are many difficulties in undertaking such operations. Some could fail. Not every challenge can possibly be met. The advisability of acting in each situation must be considered most carefully in the light of our experience. But these words of caution could be used of any new and hopeful ventures in international co-operation or in the general progress of human society. Caution must not destroy our will for peace.

I recall the moving words of Dag Hammarskjöld when he spoke at a celebration in Williamsburg commemorating the 1776 Virginia Declaration of Rights. He spoke in terms particularly meaningful for an American audience about the growth of belief in the dignity of man. His words apply to all United Nations efforts to remove fear and support human dignity.

He said: "It is when we all play safe that we create a world of the utmost insecurity. It is when we all play safe, that fatality will lead us to our doom. It is 'in the dark shade of courage' alone that the spell can be broken."

We have always needed courage to do something new. We need courage now to act for peace.

S/C

Gov Doc

CAN

E

CANADA. EXTERNAL AFFAIRS,
// DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES



CANADA



INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/28

CHINESE REPRESENTATION IN THE UNITED NATIONS

Statement by the Honourable Paul Martin,
Secretary of State for External Affairs,
November 17, 1965.

The General Assembly has again considered the issue of Chinese representation. Once again it has voted not to seat representatives of the Government of Communist China in the United Nations at the price of expelling the representatives of the Government of the Republic of China. Canada would have welcomed the opportunity to see Communist China take a seat in the world organization had Peking made this possible. If that has not yet happened, it is because Peking itself has set a price on participation which is unacceptable. In the view of the Canadian Government it is not for the United Nations to accommodate itself to the views of a single nation, however powerful or populous. It is for Communist China to make that accommodation. Much to the regret of the Canadian Government there is no present evidence that she is ready to do so.

This year's vote was taken against a background of growing disquiet over the purposes and policies of the Government of Communist China. There is concern in many countries of Africa and Asia about the circumstances in which Communist China forced the postponement of an Afro-Asian Conference which it concluded it could not dominate. There is concern over the attitude of Communist China towards the recent unsettling events in Indonesia. There is concern over the declared opposition of the Government of Communist China to any kind of negotiated solution of the situation in Vietnam. And there is also concern over the doctrine of armed revolution which has only recently been reaffirmed by the Government of Communist China and from which no government, whatever its status, is apparently immune.

These actions and attitudes on the part of Communist China have led some countries to conclude that it does not meet the qualifications of membership in the United Nations. The opposition of these countries has been reinforced by the attitude of the Government of Communist China itself, which has attacked and sought to discredit the United Nations to the point of urging the creation of a rival world organization. Other countries, however, feel that the course of recent developments in the policies of the Peking Government makes it all the more necessary to bring representatives of that Government into some form of relationship with the international community as represented by the United Nations and its organs.

As far as Canada is concerned, we have consistently supported the principle of universality in the United Nations. We supported that principle ten years ago, when Canada was instrumental in breaking the deadlock that had been responsible for barring a substantial number of countries from United Nations membership. When I addressed the present General Assembly on September 24, I reiterated Canada's support for the principle of universality and expressed the hope that the United Nations could make progress towards the achievement of universal membership as soon as possible. If the United Nations is to be an effective organ of international opinion it must be able, ultimately, to bring all members of the international community within the framework of the obligations and responsibilities laid down in the Charter.

Canada has endorsed the view of the Secretary-General that it is in the interests of the international community to have Communist China exposed to the currents and cross-currents of international opinion. We also believe that there are problems in the realm of international peace and security which require the co-operation of Communist China for their solution. We have made it clear that we regard disarmament as one such problem and have supported Communist Chinese participation in any world disarmament conference.

It is in this spirit that Canada approached the problem of Chinese representation at the current session of the General Assembly. Nevertheless, after very careful consideration, the Canadian Government decided that it could not, in present circumstances, do other than vote against the resolution which was before the Assembly. In voting as it did the Canadian Government was guided by the following considerations.

First, in a press conference on September 29, the Communist Chinese Foreign Minister, Marshal Chen Yi, posed a number of new conditions which would have to be satisfied if Communist China was to agree to take its seat in the United Nations. As part of these conditions the United Nations was being asked to rescind its resolution condemning Communist China as an aggressor in Korea, where Canadians fought and died to defeat aggression. It was being asked to review and revise its Charter. And it was being asked to admit to membership all so-called independent countries and to eject from membership all those which Peking chooses to regard as "imperialist puppet states". It seemed to the Canadian Government that these new conditions raised the fundamental question whether Peking itself still desires to participate in the United Nations.

Second, there is another condition of long standing from which Communist China has never departed. This is that the population of Formosa must be denied any form of representation in the United Nations. The Canadian Government cannot be unmindful of the fact that the Government of the Republic of China is a founding member of the United Nations and one which exercises control over a population of some 12 million people. It cannot disregard the claim of the population of Formosa to be allowed to play their full and honourable part in the life of the international community. Canada, for one, could not agree that it would be in accordance with the principles of the United Nations to support an arrangement which would result in a denial of that claim.

Third, whether we like it or not, this is an important issue which, in one way or another, could affect the balance of forces in the world. It is not an issue that can be considered in isolation. It must be part of any independent policy judgment that Canada assess the total impact of the seating of Communist China on its other relationships and on the United Nations itself in the present circumstances.

It remains the hope of the Canadian Government that Communist China will itself come to recognize that it must be prepared to take a seat in the United Nations and negotiate its differences as other states have done and are bound to do under the United Nations Charter. We also hope that some means may be found by which further clarification could be obtained as to the intentions of the Government of the People's Republic of China regarding membership in the United Nations before this issue is dealt with again in the General Assembly. In the meantime it will continue to be the policy of the Canadian Government to do what it can to encourage the establishment of mutually beneficial contacts between Canada and Communist China and between Communist China and the rest of the international community.

S/C

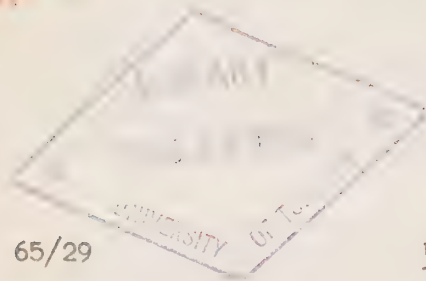


STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA



No. 65/29

WORLD BROTHERHOOD

Address by the Honourable L.B. Pearson, Prime Minister, on Receiving the "Family of Man" Award at the Award Dinner of the Society for the Family of Man, New York, November 17, 1965.

I am deeply grateful to the Society for the Family of Man and the Protestant Council of the City of New York for the very great honour you have conferred on me tonight. I accept it with pride and humility.

I accept the award also as a tribute to the country which it has been my privilege to serve for many years now, in one capacity or another....

Let me assure you - and I have had a good deal of experience with this - that my Government... will continue to do all in its power to maintain and strengthen close and neighbourly ties between your country and mine. In that closeness, in that neighbourliness, we share more things - more progress and more problems - than any other two countries in the world. We share a continent where our economies and our interests are closely related. We share, to a lesser degree, a continental culture and way of life....

We in Canada, however, do not share any desire to lose our own national identity through a continental amalgamation of our two countries. We do not wish close and friendly co-operation, which is essential, to lead to absorption, which is undesirable for both of us. In stating this as a fact, I should add that provincialism and regionalism are very strong in Canada, for historical, economic, geographic and other reasons. We recognize increasingly the danger to national unity from trends in this direction and we are making progress in combating them. For this purpose, paradoxically, the United States is one of the strongest forces making for our unity and we thank you for it. Our desire to avoid continental absorption is a great national asset in our effort to remain Canadian.

The relationship between our two countries is also the best witness to the fact that, in the world Family of Man, two states -- one the most powerful in the world, the other much smaller -- can live alongside each other as good neighbours and as the best of friends, with mutual respect and understanding....

We share many things, I agree, in our two countries, even though we are not Siamese twins; not least, a concern for the whole human family. Both our countries - you in an unprecedentedly massive way through aid and assistance - have shown that concern in the last two decades.

The Family of Man, exemplifying the brotherhood of man, is an ideal as old as society itself. True acceptance of the family as an ideal does not mean that there is always peace and harmony among its membership. The first family in the Book of Genesis is a witness that "family" doesn't always mean "fraternity".

But a family normally reflects a cohesiveness, a solidarity of interest and sentiment which makes for friendship and understanding. It is an ideal which, even though not always realized in peaceful conduct, remains valid in the larger relations within and between political societies; especially today, as we all live under the shadow of a nuclear missile.

Your Society, dedicated to the promotion of brotherhood among the Family of Man, has laid down certain admirable guide-lines in the realization of this ideal.

The first is the practice of ethical, moral and democratic principles in living together. The only question that might arise here is the identification of democratic principles with peace and goodwill. Is it vox populi, vox pacis, as well as vox belli? I hope so, and I try to resist the doubt that history and contemporary experience at times throw on that hope. Many crimes can be committed, many mistakes made, in the name of popular democracy; through the counting within a nation of heads which have become hot, or of delegates in an international assembly who have become irrational by emotion. The rule of 51 per cent is not necessarily a golden or divine rule, especially when it can be achieved mechanically by a slide rule.

The second guide-line to peace you have laid down is the pursuit of individual excellence as a spur to social progress.

I am impressed by your Council's identification of the four areas of human endeavour in which excellence gives hope and direction to our society. Only by developing, in a creative and responsible manner, the art and technology of communications - the first such area - can we raise world levels of education. Second, only through the right kind of education can we bring about those improved human relations on which world peace can be securely based.

You have chosen, as recipients for awards of excellence in these four fields, men whose achievements are outstanding. I pay my own deep and sincere tribute to what they have done. But, even more, to what they have stood for and still stand for. It is an honour for me to share the distinction of being your guest tonight.

The third guide-line you have laid down is community service - local, national and world - in the interest of security and peace. We are a long way from securing peace, but we have made some progress.

Yet the United Nations is also more than this. It is the place where, slowly and at times agonizingly, an international consensus can, and often does, emerge. One result of this emergence is that on occasion, decisions have been made that confound those who tend still to think of the world in the terms of the Congress of Vienna or the Conference of Versailles. The UN has, with a vengeance, called in the new world of Asia and Africa, to challenge the power and pretensions of the old. We should not be surprised if there is a resulting confusion - or worse - which brings about a negative reaction among the older and more powerful states. I should be surprised, however, if the newer and less secure states that have recently emerged from subservient status ceased to realize how vitally important to them is the United Nations; how it gives them their only real chance to play a meaningful and effective political part in the Family of Man and how, if they overplay this part and allow their grievances, their prejudices and their emotions to run away with them, others will react in a way which could end, or at least make impotent, the UN as a forum for international discussion and decision on a broad, world level.

The United Nations can be destroyed by the impatience of its new members, quite as well as by obtuseness or obstinacy of its old.

The United Nations is also the place where we have all been made most conscious of fact - as President Kennedy so eloquently reminded you on receiving his award from you in 1963 - that the Family of Man is not limited to any race or nation or creed.

We should remind ourselves that it is three billion strong and that we, in our white affluent society, fall far short of mirroring its make-up. For its predominant colour is not white; and, far from being affluent, most of the members of the Family of Man today are more deeply engulfed than ever before in the search for survival against hunger and destitution and disease. Those who are striving today to be free, or remain free, not illogically crave also to be fed.

I have often spoken, as your President and others have, about the widening gap in wealth and resources between the white Western nations - largely those rimming the North Atlantic - and virtually every other member of our Family of Man. I know that no country is doing more to close that gap than the United States. But the gap is still widening, with results that could become tragic.

Today, the great danger facing all of us is that, in our relative ease and affluence, we of the West are becoming bored with being continually reminded that more must be done. After two decades of economic assistance there is a "weariness with well-doing". The mood is not so much to ignore the problem or deny the need, but to rationalize a growing "weariness" by pleading the impossibility of effective action. So we lapse into the complacency of the comfortable.

But to withdraw our concern and slacken our effort on behalf of the whole Family of Man just because now the "going is getting tough" would be both a political mistake and a human betrayal. It would be a denial of the

On the tenth anniversary celebrations of the founding of the United Nations I said: "I can only hope that, when 1965 arrives, I shall be discussing with you prospects for 1975. Should this happen, we shall have escaped the worst." Well, at least this much has happened.

It is a privilege to be associated tonight with a Society which is trying to help in the realization of such admirable principles as laid down in your guide-lines.

In that realization, the Society stresses the "need for better communication between world leaders".

As one who has had an opportunity to meet many contemporary world leaders, I should not wish to minimize the importance of this kind of contact. But I should not, on the other hand, wish to exaggerate that importance or even ignore the danger of relying too much on such contact as a basis for sound policy.

More than once the air has been cleared at the summit by what seemed to be fruitful and useful encounter, when, down in the valleys and lowlands, where the people lived, there remained fogs of suspicion and mistrust and misunderstanding. The leaders, exposed to this on returning, had, therefore, quickly to adjust themselves to their own national public opinions and the adjustment has, at times, led to international recrimination and misunderstanding.

So, even more important than communication between leaders, is communication leading to understanding between peoples. Technically - with our miraculous modern media of communication - this is easier to do, and with an impact more immediate, broader and stronger, than ever before in history. But this very technical ease and efficiency in communication makes the possibility of its exploitation for wrong purposes a very real one, with results which can be as far-reaching as they are bad.

These bad results can come about by the direct control - exercised in totalitarian societies - over the media of communication; by censorship in the interest of those in charge of the state. Or they can come about in open societies by irresponsibility, and a misuse of power on the part of those who have full freedom within the law to propagate news and opinions. So communication between peoples becomes a complicated and tricky business, with national interest and self-interest at times getting in the way of the promotion of a friendly, human relationship and understanding. It can as easily result (or is this too pessimistic?) in eye-ball to eye-ball confrontation, as in heart-to-heart contact.

At times, the communication between both leaders and peoples can be merged in that town meeting of the world, the United Nations Assembly. This, too, has had its good results as well as others which are less good. How could it be otherwise when the United Nations is, as we are so often told, merely the reflection of its separate governments and peoples in the tense and unruly world in which we live?

deepest imperatives of Western civilization, which we like to think is distinguished from other human cultures by its profound sense of social and moral obligation.

The question we are driven more and more to ask ourselves is whether, in our two-car homes, with our cradle-to-the-grave security, our frenzied efforts to amuse and excite ourselves - our "North American a-go-go" - whether we are betraying the sources of our real strength for the future in favour of immediate material satisfactions which themselves soon fail to satisfy us.

We are confronted today by tests more crucial than any that challenged our forefathers. Have we the moral fibre and a sufficient sense of social responsibility to meet them?

The answer will certainly be no, if we are unable to resist the pressures - which have succeeded over more than half the world - that would make man a digit in a table of government statistics.

The history of man is his slow growth from a place in a tribal group, huddling together for protection and survival, to membership in a society of self-reliant individuals, each with a soul and an existence of his own.

Are we reversing - or at least slowing down - this evolution in order to escape from the duties and responsibilities that flow from it as life becomes more complex and challenging. Are we coming to feel that government is not something maintained by the citizen to protect and promote his dignity and worth, but merely something to increase his pension, give him "bread and circuses" and free him from his own civic responsibilities?

If that happens, the Family of Man will become nationally a flabby affair and, internationally, a cockpit of confusion and division.

The remedy? It is not in our stars but in ourselves, in the individual's heart and mind and the impact he can make on the mass.

I conclude with a story which tells what I mean:

A Canadian diplomat once reached a boundary barrier between two Asian countries in a tense and sensitive area. There was a chain across the road and, on the other side of it, a sentry who carried a rifle and, around his waist, several cartridge belts. He looked belligerent and formidable.

The Canadian was not too sure what would happen if, in spite of his diplomatic credentials, he crossed the frontier. So, standing firmly on his side of the chain, he held out his hand across it. The sentry was only a youngster and, in face of the smile and outstretched hand, his military bearing collapsed. He put his rifle on the ground, broke into a broad grin and invited his new friend to step over the chain; he did and shook the young sentry warmly by the hand.

When the time comes that this sentry would be commended by his superiors for a warm human gesture, instead of punished by them for dropping his rifle, the world will have become safe for the Family of Man.

Govt. Div.
Can
E

CANADA: EXTERNAL AFFAIRS;
" DEPARTMENT OF.
INFORMATION DIVISION
STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 65/30

CANADA AND THE U.S. IN WORLD AFFAIRS

Address by the Honourable Paul Martin,
Secretary of State for External Affairs,
at a Dinner of the Midwestern Regional
Conference of Attorneys General in
Detroit, Michigan, December 7, 1965.

I should like to express my appreciation of your invitation to speak at the dinner being held in connection with this Conference of Attorneys General. I should also like to take this opportunity of conveying greetings from across the border to the eminent representatives of so many states. It is always a pleasure to be with persons skilled in the law. I have a natural common interest with those holding executive positions in government. My Detroit friends know that I have one other good reason for welcoming your invitation, since I am a close neighbour from across the river. You have many themes of regional and national interest to consider.

Later this week I shall be leaving for Europe in order to attend the meeting of the NATO Ministerial Council. The foreign ministers and defence ministers of the countries composing the North Atlantic Treaty Organization will consider questions of vital importance to the alliance. These are questions of what is best for the alliance in political strategy, military arrangements, and in methods of political consultation. They are fundamental questions of achieving an effective partnership between member countries which will advance the interests of the whole Atlantic Community.

Since the Council meeting is also an occasion for governments to take stock of the world situation, we shall be considering the general progress of the world community towards security and the rule of law.

Consideration of topics as wide as these presents some difficulties. What, for example, is the connection between our obligations under NATO to develop regional defence and partnership and our obligations under the United Nations to develop world security and law?

These obligations are not merely complementary. They are ultimately the same. There is no such thing, in my mind, as regional security in the abstract, divorced from international security in the broader sense. There may be --- there are --- many examples of defence arrangements

based on regional co-operation, but the security of any part of the world must, in the present day, be considered as an international objective which can be realized only by the achievement of a strong and stable international legal order.

In working towards this legal order we must recognize the conflict of national interest, however. Even if we leave out of the question major ideological disagreements or conflicts of interest at the level of the few big powers, the differences in outlook, in background, in economic interest and in power among most nations are formidable. They can be overcome only by the unremitting effort of nations dedicated to the ideals of a world community and the rule of law. The problem lies at the heart of bilateral negotiations, of relationships within such bodies as NATO, of debates over collective action in the United Nations.

We have in the relationship between the United States and Canada experience of the problems to be surmounted and also, I am glad to say, ample evidence of the great benefits which flow from effective partnership.

I need hardly remind you of all our interlocking interests in economic, defence and many other matters. The United States is by far our largest export market. It is from the United States that we draw the greatest proportion of external resources and technological information necessary for the rapid development of our economy. At the same time, we provide the greatest single market for United States goods and the largest source of profitable opportunities for American investors. Our governments stand pledged to co-operate in securing the best use on a broad basis of resources vital to both of us.

There is, of course, a very great discrepancy of power between us. With respect to issues affecting material interests, the preponderance is heavily in favour of the United States. The influence exerted on Canada by its neighbour to the south, the degree of interdependence and the occasional disagreement or public controversy over aspects of Canada-United States relations lead some people to claim that Canada is a reluctant satellite of the United States.

I am sure you would reject this claim as emphatically as I do. We are not a satellite of any kind, reluctant or otherwise. We consider Canada to be a willing partner in an association to which it makes a contribution in the common interest commensurate with its resources and its points of view.

Unlike the barren controversy which characterizes some international exchanges, the disagreements which arise in Canadian-American relations are rather part of the bargaining process involved in reaching agreement on some major undertaking. From our discussions, negotiations, debates -- and even disagreements -- have come the most impressive results. Canadians and Americans can jointly be proud of a number of agreements, such as the gigantic Seaway stretching from the Atlantic to the heart of the continent, the immense Columbia River project and the Canada-U.S. Automotive Agreement, which benefits our people on both sides of the border. These were not dictated by an overwhelmingly powerful nation and accepted by a servile one. They were the fruits of painstaking discussion, normal bargaining and mutual respect.

Even as recently as yesterday, when various financial measures were announced by our two governments, we had another example of the close and complex relations which exist between our two countries. In a situation in which some action had become necessary, co-operative efforts were made to ensure that continued expansion in our economies and in our economic relations with each other would not be impeded. You will no doubt have noticed that specific recognition was given to the high priority of the automotive programme. In many other respects as well, the unique economic and financial relations between Canada and the United States were recognized.

We in Canada naturally have an interest in the strength of the United States dollar as the world's greatest trading currency. Equally, you in the United States have an interest in the prosperity and economic growth of your neighbour. We Canadians have contributed and are continuing to contribute very substantially to the credit side of your balance of payments. To go on doing this we need access to United States capital to help meet our current deficit. Fortunately, with constructive co-operation between the authorities in the two countries, the new and temporary United States measures announced on December 6 maintain unlimited and unrestricted access for Canada to the United States capital market.

In the broader context of political relations and world affairs, there are considerations about relations between Canada and the United States which may appear elementary and obvious but which are worth repeating from time to time.

On the fundamental questions affecting the destiny of our two nations and the nature of our society, these relations are based on trust and friendship. Canadians want partnership with the United States in all the major fields in which that now exists, and could scarcely now conceive of any other type of basic relationship with their neighbour. They welcome the fact that the United States has achieved a position of great power, responsibility and leadership in the world and they understand that this responsibility carries with it the necessity of making very difficult decisions of concern both to the United States and other nations.

I believe that Americans understand that Canada, for its part, has a role in world affairs arising from its own traditions, contacts and commitments. Whether that role is seen in terms of actions as a middle power in the United Nations, or membership in the Commonwealth or NATO, the important point is that we have to arrive at our own judgments on world affairs. We do not make those judgments irresponsibly or without careful consideration of the views of our closest friends.

The partnership between Canada and the United States does not impede the United States in its role as a great power. We do not consider that it should inhibit us in playing our part in international affairs. On the contrary, the close and friendly relationship which exists between us provides a firm base for our action elsewhere.

These are some of the ingredients in Canadian-American relations. They are not created by any automatic processes nor are they dependent primarily on the machinery set up to administer our relations. They are dependent on the firm intention of governments, on a sustained effort to

effect improvements, on personal contacts and on politically imaginative approaches to the problems which inevitably occur as a result of our interdependence.

If these are aspects of the continental relationship, what can we say of the more complex relationships in the Atlantic Community, which is of such great importance to both our countries?

People tend to say a good deal at present about NATO's difficulties, about the differences and uncertainties which the alliance faces. While I do not deny that there are differences and uncertainties, I think the emphasis that is sometimes put on them is misleading and can be dangerous. It is not new for NATO to be faced with problems and differences and uncertainties, and some of these in the past have been serious.

Considering the problems which we successfully resolved since 1949, I cannot be pessimistic about NATO's ability to deal effectively with the difficulties it now faces.

That the alliance remains necessary is fully recognized by all; President de Gaulle has himself emphasized the point. We have to recognize, however, that conditions have greatly changed since the creation in the early 1950s of NATO's existing machinery. We cannot, therefore, out of hand discard the French proposition that some overhaul of that machinery, to adapt it to the political and military and economic circumstances of today, could be beneficial.

In view of the great complexity of the relations within NATO and the world around it today in comparison with the situation in its early period, it is not surprising that there are differences of view about what changes might be desirable. Some want changes in the arrangements relating to nuclear capabilities; President de Gaulle apparently wants changes in the integrated military structure, although he has not yet revealed precisely what he has in mind; still others have ideas for improving the arrangements for consultation within the alliance. And in each of these areas of possible change there are different ideas about the precise arrangements to be preferred.

What I want to emphasize is that, in a free alliance, such differences of view about how to improve the organization are in themselves healthy, a sign of vitality and adaptability. Indeed it could be argued that if there were no such differences it would be a sign of stagnation. The important thing to my mind is that, in tackling these various questions, we should bear in mind our common interest in maintaining and improving the alliance. We should approach our problems patiently and constructively, avoiding division and rancour. We should remember that, while there are many things we seek in common from the alliance, there are other things, legitimate national objectives, which may not be shared by all members and that these naturally give rise to honest differences about the best course.

In such cases, we must all be prepared to compromise, recognizing that it is in our national interest to do so; for if we do not, if we adhere rigidly to national views unacceptable to our allies, then we can end

only in damaging, or even destroying, the organization which was designed to serve, and does serve, and must continue to serve, the collective defensive interests of us all.

I have stressed the fact that the continental partnership of two nations and the Atlantic partnership of 15 must not prevent, but should encourage, a full sense of participation by all these nations in the decisions and action required to advance peace and welfare in the world.

And at this point I should like to say something about the prospects for action at the world level in the United Nations.

If the great majority of members of the United Nations felt that, for better or for worse, all important decisions about world affairs were going to be made by a few great powers, then the essential meaning of the Charter of the United Nations signed in 1945 would have been lost. In the end, it would be discovered that even the great powers could not discharge such a heavy responsibility.

It is possible, of course, to become concerned at times over the slow progress in achieving world security, in extending those spheres in which international agreements constitute a body of law regulating the conflict of interest among nations. Nevertheless, if we have any sense of commitment to world peace, we must move ahead step by step. I should like to give two examples of areas in which this is true.

One of the major responsibilities of all United Nations members is to find ways of controlling, limiting and finally abolishing national armaments, particularly nuclear weapons. You know how difficult it will be to find exactly the right conditions for general disarmament..

Nevertheless, I believe that there are signs that, even in the difficult field of disarmament, we are not engaged in a Utopian quest but are aiming at something which could be achieved. There are four points emerging from our experience in recent years to which we must give most careful consideration:

- (1) Major accomplishments in history have been as much the result of a series of small steps, taken one at a time, as from a sudden breakthrough to some new plateau. We may find that this will be true of progress towards disarmament.
- (2) It would also seem likely that progress will occur, for the moment, in measures designed to deal with partial or peripheral questions, rather than at the heart of confrontation between the major powers.
- (3) It becomes increasingly obvious that, in the verification of disarmament agreements, as in so many other fields, science and technology can and must be harnessed to help achieve man's objectives.

- (4) Experience in limited agreements makes it clear that we must have a form of international verification which is impartial and objective and satisfies the international community as a whole that the obligations undertaken in multilateral disarmament agreements are being carried out.

In making these points, I have in mind the agreement in 1959 to designate Antarctica as a disarmed area, the discussions this year about nuclear-free zones in Latin America and Africa, the Partial Test Ban Treaty of 1963, the measures accepted by many nations for safeguards in the peaceful use of atomic energy and the limited agreements about the use of outer space. In these newer areas of international concern, the world community is establishing controls and laying the basis for the eventual application of much wider systems of law.

Our experience with United Nations peace keeping is surely similar. The United Nations has, on the whole, responded effectively to the challenge of conditions which have threatened or breached the peace in various parts of the world. In so doing, it has built up an impressive set of safeguards, presences and forces which, whatever current or future disagreements over financing and control may be, will constitute an invaluable base for the building of more permanent arrangements.

I believe, myself, that members of the United Nations will not have found lasting solutions to the problems of ensuring peace until they have agreed to set up a permanent United Nations police force, properly financed, well trained and ready to do the jobs required of it. Indeed, the general disarmament treaties contemplated by the United States and the Soviet Union both envisage the creation of a United Nations force to ensure preservation of the peace.

We have to work towards this objective step by step, however. The financial problems arising from recent or current peace-keeping operations must be solved first. There must be more reliable arrangements for initiating and controlling the operations. Nations which can offer troops or technical services should perfect their standby arrangements. The United Nations Secretariat must further develop the knowledge and skills necessary to co-ordinate and direct these efforts.

These have been some examples of international problems currently before the NATO alliance or the United Nations and of continuing concern to the Canadian and many other governments.

Perhaps I could stress one essential fact relevant to all these problems. The difficulties will not be overcome unless many nations, of differing sizes and degrees of power, are convinced that it is in their interest to share in the risks and benefits of real partnership in various spheres of international action. They must be willing to accept appropriate responsibility and want to make an effective individual contribution.

We desire most of all a steady growth of universal institutions towards peace, sanity and the rule of law. We cannot sustain that growth unless we are completely convinced and proclaim vigorously our conviction that there are loyalties beyond nationalism. There is ample proof that this belief is strongly adhered to by many and that it can be given effective application. The measures taken to preserve and give more adequate expression to old friendships, the common commitment to principles and interests among allies extending far beyond national boundaries and the determination of states large and small to implement the provisions of the United Nations Charter are evidence of the strength of this conviction. We have begun to develop additional loyalties and to create new realms for the activities of man in his search for peace, security, and freedom.

S/C

JUL 13 1986



3 1761 11552372 2